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TODAY: MONEY Checking Accounts, Page 17

A Decision On Pinochet Is Not His, Blair Insists

Chile's Foreign Minister Is Told in London: Case Rests With Judiciary

By Warren Hoge
New York Times Service

LONDON — Sticking to Britain's official hands-off policy in the Augusto Pinochet case, Prime Minister Tony Blair said Friday that he did not expect to be even "consulted" about it and Robin Cook, the foreign secretary, assured his Chilean counterpart that any decisions would be made free of political considerations.

Home Secretary Jack Straw, the British official responsible for deciding whether or not to go forward with a Spanish petition seeking the former Chilean dictator's extradition, obtained the extra time Friday that he had sought to make his decision. Chief Metropolitan Stipendiary Magistrate Graham Parkinson postponed the hearing nine days until Dec. 11 and said he expected General Pinochet in court then.

Spanish courts are seeking the extradition of the 83-year-old general to Madrid to stand trial on charges of genocide, terrorism and torture in the murders and "disappearances" of 3,178 people. He was arrested in London Oct. 16 and subsequently lost a legal effort in the House of Lords, England's highest court, to have himself declared immune to arrest because of his status as a former head of state.

Mr. Cook said Jose Miguel Insulza, Chile's foreign minister, had communicated his government's "strong view" that General Pinochet should be permitted to return home immediately. He said he had replied that the British government could not possibly interfere in what was a purely judicial matter.

"I explained that the next stage of the extradition process, which had been taken by the Home secretary acting independently and that this was not a matter for collective ministerial decision," Mr. Cook said in a statement.

He said the one-hour meeting had been "friendly" and that he assured the Chilean that "neither the original arrest nor subsequent steps had been politically motivated." Afterward, Mr. Insulza visited No. 10 Downing Street, where he met officials, but not the prime minister, and left a letter that a spokesman said would be passed on to the Home Office.

Mr. Straw has said he will not be seeing any national delegations or representatives of interest groups in de-

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Remy de la Mauviniere/The Associated Press

PARIS REBUFFS EFFORT TO CHARGE KABILA — President Laurent Kabila of the Democratic Republic of the Congo arriving Friday at the National Assembly in Paris for the French-African summit meeting. Prosecutors turned down attempts by two groups to charge him for human rights violations. Page 4.

Europeans Contest U.S. NATO Vision

Broader Alliance Role Opposed

By Roger Cohen
New York Times Service

BRUSSELS — An American-led attempt to set down what NATO has become since the Cold War ended and define its goals for the next century is encountering European opposition on a number of issues, threatening to undermine a 50th-anniversary NATO summit meeting in Washington oext year.

NATO diplomats said the Clintoo administration had recently presented a very ambitious program for the April meeting, designed partly to coovince Congress that the North Atlantic Treaty Organization is still central to American security, raising European concerns that the United States is trying to turn NATO into a freewheeling global vehicle for its interests.

The summit meeting amounts to a critical watershed for NATO. It is destined to define NATO's oew "Strategic Concept" after almost a decade of largely improvised adaptations to the post-Cold War world, setting down a doctrine that takes the allies a very long way beyond the commitment to mutual self-defense that lay at the core of the Washington Treaty of 1949.

Bnt after a summer and fall largely consumed by the crisis in Kosovo, and in the light of a bold American agenda clearly conceived to constitute President Bill Clinton's legacy for the alliance, there is widespread concern at NATO headquarters that time is short and agreement far from assured.

At the root of the differences lies the American conviction that NATO should now be seen as "an alliance of interests" as much as one dedicated to the defense of a specific territory, and that those interests may in some instances push NATO into far-flung activities, for example to counter chemical and biological weapons, nuclear proliferation, or terrorism.

"Of course, when America talks of the defense of interests, and not just territories, it leads to continued suspicions that the United States is seeking to globalize NATO," a senior official said. "NATO is still Euro-Atlantic, but we should not artificially exclude what we might use NATO for."

A European official said that while the need to adapt NATO, and formalize the changes that have already taken place since 1989, was oot in dispute, several European countries were concerned that Washington wanted to push the alliance too far beyond its core European commitments and might be exaggerating threats to justify this.

"The Americans have put a program on the table that calls for NATO to play a major role in controlling and countering weapons of mass destruction, nuclear, biological and chemical," he said. "But we worry that America may be creating a oew threat perception that will scare our populations with visions of anthrax and gangrene while allowing NATO to become a global organizatioo."

France, always concerned with what it sometimes calls "American hegemooy" and keen to develop Europe's own defense capacities, and Germany, whose new "Red-Green" coalition of Social Democrats and environmentalist Greens has a broadly anti-militarist bent, are among the states wary of giving NATO too sweeping a mission, officials said. Russia, of course, is also deeply concerned.

In particular, officials said, a sharp conflict exists over America's determination to include in NATO's new "mission" or "vision" statement (the precise term is under discussion) a stipulatioo that the alliance may, in exceptional circumstances, act without a specific United Nations Security Council mandate.

In the absence of this margin for maneuver, American officials contend, NATO would effectively be placing itself at the mercy of a Russian or Chinese veto in the Security Council for any mission it wished to undertake, even in an overwhelming humanitarian crisis.

"The lesson nf Kosovn is that we

See NATO, Page 7

Will a 'People's Economy' Be Better?

Indonesia Promotes Cooperatives, but Critics Warn of Corruption

By Paul Blustein
Washington Post Service

JAKARTA — Struggling to recover from the devastation caused by the Asian financial crisis, the Indonesian government is moving to rid the economy of the "crony capitalism" that flourished here for decades — with a vengeance that some economists find worrisome.

The new buzzword is the "people's economy," and it stands for a government plan to end the economic dominance of the large conglomerates run by tycoons who enjoyed close ties to President Suharto and his family.

Instead of conglomerates, the government of President B.J. Habibie is aiming at building an economic system [illegible] cooperatives and small and medium-sized businesses.

"In Indonesia, 1 percent has controlled 60 percent of the gross domestic product," said Adi Sasono, the cooperatives minister and one of the government's most influential figures, referring to the small proportion of the population with economic power. "That is not a healthy economic structure," Mr. Adi said. "Now the idea is to promote even playing fields. What we have to avoid is where the big players control everything."

The new approach was approved in broad terms at a special session of the 1,000-member People's Consultative Assembly this month. The decision was overshadowed by student protests that ended in bloody confrontations with soldiers. Bnt while it may sonno like a refreshing shift from an era characterized by corruption and collusion, it is stirring considerable concern that Indonesia may be simply replacing one rotten system with another.

For one thing, the initiative is fraught with ethnic politics. Most of the largest conglomerates are run by members of the ethnic Chinese minority, whose entrepreneurial talents played a key role in the country's rapid economic growth over most of the past three decades.

The government denies that any ethnic group is being singled out. But many analysts fear that Mr. Habibie, who took over in May after mass protests forced Mr. Suharto to

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Singapore Puts On a Liberal Shine

Hoping to Be a Global Center, It Borrows Rival Hong Kong's Ways

By Mark Landler
New York Times Service

SINGAPORE — When Lee Knan Yew, the father of modern Singapore, wanted to transform this spit-and-polish outpost into a global financial center, he urged people here to mimic the freewheeling ways of Hong Kong.

Never mind that under Mr. Lee's strict rule, Singapore had made a virtue of being everything Hong Kong was not: clean, orderly, buttoned-down, an oasis of Asian values worlds away from the Western permissiveness of Hong Kong.

Yet in a series of speeches over the past year, Mr. Lee, the senior minister, and his son, Lee Hsien Loong, deputy prime minister, have called on regulators to use a lighter hand on Singapore's markets. This quickly became official policy.

"It's very difficult to decide to change policies when they are working," said Lee Hsien Loong, 46, a brisk former army general who also runs the powerful Monetary Authority and is expected to be the next prime minister. "But we got feedback from bankers and others that if you want to take the next stage up, then really you have to shift gears and allow more free play."

Few places on earth would set out to become more freewheeling as methodically as Singapore would. But experts in Asia are not about to poke fun: They say that this combination of flexibility and dogged determination has enabled Singapore to steer a remarkably steady course through the Asian economic typhoon.

Although the Singapore economy finally slid into negative territory in the third quarter, it had held out longer than that of most of its neighbors. And several economists and analysts said that Singapore's strategy of cutting wages, allowing the currency to adjust downward and liberalizing the financial markets could mean that it will be in healthier shape after the crisis than the normally resilient Hong Kong.

While Hong Kong still has many advantages, Singapore is aboot to give it a run for its money. Singapore has introduced a futures contract based on the Hong Kong stock market that traders say is the most serious challenge yet to Hong Kong's status as the financial hnb of East Asia.

"Singapore has been more streetwise than Hoog Kong," said J. Mark Mobius, president of Templeton Emerging Markets Fund, which moved its headquarters from Hong Kong to Singapore because of its lower tax rates. "They've exhibited a better understanding of the crisis and sounder policy." William Overholt, director of Asia strategy at

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Pyongyang Losing Edge To Invade, U.S. Asserts

By Paul Richter
Los Angeles Times Service

WASHINGTON — North Korea's ability to overrun the South with conventional armed forces, a focus of U.S. military planning for almost five decades, is disintegrating in the face of the country's economic crisis, according to the Pentagon.

Amid crippling shortages of food and fuel, North Korea's ability to field and reinforce a mobile force of tanks and troops "has been largely undermined," a senior defense official said. As a result, he added, "any strategy they might have had to seize territory has beeo put in substantial jeopardy."

Since the end of the Korean War, the U.S. and South Korean militaries have maintained huge forces to repel an invasion that could involve tens of thousands of troops spilling across the Demilitarized Zone between the North and South.

Along with Iraq, North Korea has been the U.S. military's greatest worry in the post-Cold War world. And recently, as the North has weakened, defense officials have fretted that its isolated, Stalinist leadership might try to seize great chunks of southern territory in a final "lash-out" attack before seeking peace.

But the changing view of North Korean convendonal forces does not mean that the United States intends to scale back its military support for South Korea, where it maintains 37,500 troops. This

See KOREA, Page 4

Clinton Replies To Hyde Questions

Reuters

WASHINGTON — President Bill Clinton on Friday answered the 81 questions put to him by the House Judiciary Committee chairman, Henry Hyde, about his affair with Monica Lewinsky, saying he regretted misleading people.

But in a letter accompanying the responses, the president's attorney, David Kendall, repeated his denial that Mr. Clinton had committed perjury, witness tampering, obstruction of justice or abuse of power — key elements of impeachment charges expected to be drawn up against him. Page 3.

Pope Sets Tone for 2000: Forgiveness

By Alessandra Stanley
New York Times Service

ROME — For Roman Catholic sinners, the year 2000 offers a fast track to Heaven.

In a Papal Bull entitled "Incarnationis Mysterium" (Mystery of the Incarnation), Pope John Paul II formally proclaimed 2000 a Holy Year, and issued edicts that serve as a practical guide to spiritual salvation during the Jubilee.

The Pope announced in the document Friday that throughout the millennium celebration, penitents who do a charitable deed or give up cigarettes or alcohol for a day can earn an "indulgence" that will eliminate time in purgatory. Indulgences are a form of church-granted amnesty that release penitents from certain forms of punishment.

The Medieval church sold indulgences, a practice that drove Martin Luther to rebel and begin the Reformation. They remain a source of intense debate between Protestants and Catholics, and since Vatican II the church has played down their importance.

By restoring indulgences to so prominent a position, John Paul II is making penitence a major theme of the millennium. He is also reaching out to conservatives in the church. Bot by broadening the ways believers can earn an indulgence beyond traditional Catholic rituals, the Pope is also trying to imbue indulgences with some of the ecumenical spirit he wants to lend the celebrations.

Parts of the papal document, which will be issued officially Sunday, dealt

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The Dollar

New York	Friday @ 4 P.M.	previous close
DM	1.7127	1.7045
Yen	123.04	121.705
FF	5.7445	5.7133
Pound	1.6538	1.661

Dollars per pound.

The Dow

	Friday close	percent change
+18.80	9,333.08	+0.20%

S&P 500

+5.42	1,182.29	+0.46%

Nasdaq

+31.24	2,016.44	+1.57%

Newsstand Prices

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Cyprus	C £ 1.00	Nigeria	12800 Naira
Denmark	17 DKr	Oman	1.250 OR
Finland	12.00 FM	Qatar	10.00 QR
Gibraltar	£ 0.85	Rep. Ireland	IR £1.10
Great Britain	UK £1.00	Saudi Arabia	10 SR
Egypt	E£ 5.50	S. Africa	R16 incl VAT
Jordan	1.250 JD	U.A.E.	10.00 Dh
Kenya	K. SH. 160	U.S. Mil. (Eur)	$ 1.20
Kuwait	700 Fils	Zimbabwe	Zim.$40.00

Gently, China Flexes Strategic Muscles in Asia

By Michael Richardson
International Herald Tribune

SINGAPORE — Outlining a strategic blueprint for Asia that differs sharply from the approach of the United States, Defense Minister Chi Haotian of China said Friday that security in the region could not be achieved by military alliances.

Making the first policy speech by a Chinese defense minister in Southeast Asia — where many countries view Beijing's growing power with some misgiving — General Chi sought to portray China as a peaceful giant that was a partner, not a threat, to the region.

But he also appeared to be warning other Asian nations that China was unhappy with the existing security order in which the United States and its allies, especially Japan, play a central role.

He made it clear that Beijing was determined to have a major say in developing new arrangements "based on mutual trust and common interest" that would supersede the network of alliances in which the United States plays a dominant role.

"Historical and immediate experiences have proved that security cannot be achieved by an increase in arms, oor by military alliances," General Chi said. "To obtain lasting peace, it is imperative to cultivate a new concept of security and seek a new way to safeguard peace."

The development of China, he declared, "requires a lasting and stable environment of peace."

"China's defense buildup will not target any other country and will never constitute threats to any country. China will never seek to be a superpower and never seek hegemonism."

The United States, in the latest edition of the East Asia Strategy Report, its strategic blueprint for the region, said

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AGENDA

Wolfgang Rattay/Reuters

Kurdish women in hats bearing the portrait of the guerrilla leader Abdullah Ocalan, raising the victory sign Friday in Bonn after Germany said it would not seek extradition of Mr. Ocalan. Page 4.

Clinton Plans to Visit Gaza and Israel

WASHINGTON (AP) — President Bill Clinton will travel to Gaza to address the Palestinian National Council and oversee the implementation of a critical element of the Wye River Mideast peace accord, the White House announced Friday. The council is scheduled to meet Dec. 14 and reaffirm the revocation of clauses in the PLO charter that call for the destruction of Israel.

Mr. Clinton, who is to leave Washington Dec. 12, will visit Israel and the West Bank, make speeches to Israelis and Palestinians, and meet with Prime Minister Benjamin Netanyahu and the Palestinian leader, Yasser Arafat.

Mr. Netanyaho, meanwhile, cut short a trip abroad to deal with the Israeli Army's long-standing occupation of southern Lebanon. Page 7

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The IHT on-line www.iht.com

Amid Economic Crisis, Russia Lets Its Guard Down at Nuclear Facilities

By David Hoffman
Washington Post Service

MOSCOW — Tons of highly enriched uranium and plutonium at Russian scientific institutes and research facilities have been left more vulnerable to possible theft and diversion because of the country's economic crisis, according to experts from the United States who recently inspected some sites.

The specialists have expressed alarm about the buckling of the "human factor" in protecting nuclear materials since the Russian ruble was devalued Aug. 17, effecovely slashing the meager salaries of nuclear plant workers and guards and further draining funds available for security.

"The Russian economy is the world's greatest proliferation threat today," said William Potter, director of the Center for Nonproliferation Studies at the Monterey Institute nf International Studies in California, who visited five Russian nuclear materials sites last month and has seen 10 sites over the past year.

"I think the situation is extremely dire," said Kenneth Luongo, a former U.S. Energy Department official who is now execuove director of the Russian-American Nuclear Security Advisory Council, which seeks to promote U.S.-Russian cooperation on the issue. "We have taken a gigantic step back to the beginning of the 1990s, when the Soviet Union collapsed and we worried about a breakdown of their security system."

Their concerns about the diminished protection were confirmed by other U.S. specialists — some of whom asked not to be identified by name — and echoed by a Clinton administration policymaker.

But Yevgeni Adamov, the minister of atomic energy in Russia, said, "I am not particularly worried" about "serious materials and their leakage."

"That does not mean lack of concern for preventing this from happening," he said, "but I have no worry about the present because these materials are quite safe." But other Russian officials have acknowledged that the nuclear complex is suffering from the country's economic turmoil, including months-long wage arrears.

The Soviet Union is believed to have produced more than 1,200 tons of highly enriched uranium and 150 tons of plotonium. More than half of that material is contained in existing weapons, but an estimated 650 tons of weapons-usable material remains scattered across 11 time zones, according to the U.S. Energy Department. The material is located at civilian scientific centers and military research institutes.

Mr. Potter said a rogue state "would be happy to get just tens of kilos" of highly enriched uranium or plutonium, a quantity that could be found at "dozens of facilities" in Russia.

Specialists have long maintained that obtaining weapons-grade fissile material is the hardest part of building a bomb. It was assumed that it would take a would-be nuclear state a decade or more to create its own fissile material for bomb-making and that the necessary facilities could be detected. But this barrier could be leapfrogged by purchasing or diverting material from Russia's vast and vulnerable warehouses.

The Soviet police state kept careful watch over nuclear materials, and the workers in the nuclear complex were relatively well off. But the demise of the authoritarian system and the economic deprivations of a young, struggling market economy have drastically changed the situation. In recent years, minor diversions of nuclear material have been discovered, and there may be others no one knows about.

The U.S. effort to secure Russia's fissile materials is centered in a $137 million-a-year Energy Department program with the Russian Atomic Energy Ministry, called "materials protection, control and accounting." It involves installing equipment to keep better track of bomb materials and providing training for Russian guards and workers.

This is just one part of a much larger, years-long drive by the West to help post-Soviet Russia control nuclear weapons. It includes a program to consolidate and dismantle warheads and delivery systems and an international drive to keep weapons scientists engaged in civilian work so they do not take their expertise to rogue states. Yet another initiative recently approved by Congress will seek to advance long-delayed conversion to other occupations in the "closed cities" where Soviet weapons were designed and built.

The United States is also buying 500 metric tons of weapons-grade uranium from dismantled Russian nuclear weapons. The material to be diluted for use as power plant fuel. The United States and Germany have also committed to help Russia dispose of its leftover chemical weapons.

In a report this month to the North Atlantic Assembly, a forum of NATO legislators, Mr. Potter said, "I do not exaggerate when I say that many of the storage buildings which contain approximately 70,000 nuclear weapons equivalents of highly enriched uranium and plutonium are bursting at their seams."

"Yet many of these buildings — flush with weapons-grade material — have no perimeter fences, armed guards, vehicle barriers, operational surveillance cameras and metal and radiation detectors at entrances," he added. "At some of these facilities the United States has installed motion detectors and other alarm systems, but they have been shut off by the guards who were disturbed by the high false-alarm rate."

"Unfortunately, even where there are functioning alarm systems, it is problematic if anyone will respond," he said, because guards who have not been paid for months "are supposed to be at posts which are unheated in below-freezing conditions."

The sophisticated equipment "cannot stand up to the current economic pressures," Mr. Potter said, recalling that failure to pay for electricity had led to power shutoffs in some locations and forced guards to turn off the monitoring systems. "We saw equipment that was not functional," he said.

"It doesn't matter how many video cameras, how many motion detectors you provide," he said. "It's people. Without that, all this equipment is worthless."

Advisers Expect Yeltsin To Serve Rest of Term

Compiled by Our Staff From Dispatches

MOSCOW — Kremlin aides said Friday that President Boris Yeltsin, now in the hospital with pneumonia, should be well enough to see out his remaining 18 months in office, barring a dramatic worsening in his health.

But, in a sign of mounting preoccupation with elecoons to be held once Mr. Yeltsin goes, a senior adviser said the Kremlin was ready to back efforts to rally demoralized and divided liberals intn a common front to thwart a return of Communists to power.

Alarmed by the unsolved murder last week nf the reformist politician Galina Starovoitova, a group of liberals including two former prime ministers announced plans for a new center-right bloc.

Concentrating his energies on the preseot financial crisis, Prime Minister Yevgeni Primakov unveiled cuts in sales and profit taxes intended to tempt Russians into declaring more of their income. But the tactic has left both his finance minister and Western analysts skeptical that Moscow can counter rampant tax evasion and fund its 1999 budget.

On Friday, the central bank approved a timetable and terms for foreigners to convert devalued ruble assets into hard currency. The Finance Ministry detailed cash repayments it was ready to make this year.

Mr. Yeltsin's spokesman said at a oews conference the president was in "satisfactory" condition and working on documents after being taken to the hospital with pneumonia over the weekend.

The spokesman, Dmitri Yakushkin, had earlier told Izvestia in an interview that Mr. Yeltsin could work oo uotil mid-2000. He said he could oot imagine aides advising the 67-year-old leader to retire, "unless there is some sudden worsening of his health."

Mr. Yakushkin said at a news cooference Friday that the president suffered "several heart nttacks" during his 1996 re-election campaign, which saw him defeat his Communist challenger, Gennadi Zyuganov. Previously, the Kremlin had said Mr. Yeltsin suffered one "mild" heart attack days before his July 3 re-election.

"The strain was beginning to tell on Boris Nikolayevich and these emotional, psychological and physical strains are continuing," Mr. Yakushkin said.

■ Primakov Gets Support

Daniel Williams of The Washington Post reported earlier from Moscow:

The Kremlin has sent out fresh signals that Mr. Yeltsin's days in power are numbered, as a top official tagged Mr. Primakov as the prime candidate to replace the ailing Russian leader.

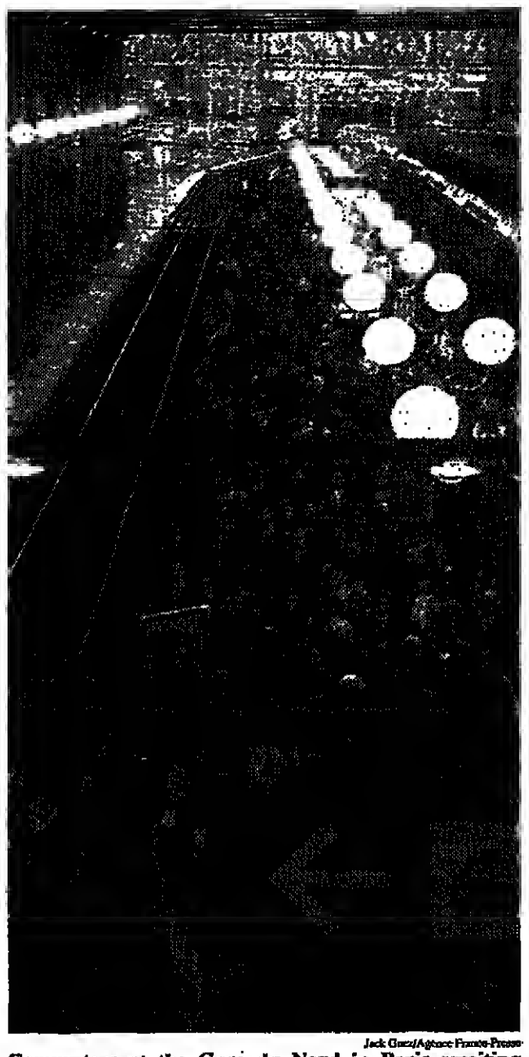
Yevgeni Savostyanov, a top Yeltsin aide, told reporters: "We understand quite well that any uncertainty in the matter of continuity of anthority is extremely detrimental both at home and abroad. I believe that in the current situation, the candidacy of Yevgeni Primakov can and should be considered in that capacity."

His statements marked the second time in a week that Kremlin insiders have touted Mr. Primakov as the most desirable replacement should Mr. Yeltsin step down before his term ends in 2000. Only a few months ago, such suggestions would have been grounds for dismissal.

Mr. Yeltsin, however, has given no indication that he will leave office early, and he dislikes few things more than talk about his demise.

There are two ways Mr. Primakov could come to power. Under Russia's constitution, the prime minister takes over for three months should the president die or step aside. Then new elections would be held; he is already the front-runner.

Moreover, there is open talk Mr. Primakov could finish out the last two years of Mr. Yeltsin's term if the constitution were amended to create the post of vice president and he landed the job. The office was abolished in 1993 after the last vice president mutinied against Mr. Yeltsin. *(Reuters, AFP)*



Jack Guez/Agence France-Presse

Commuters at the Gare du Nord in Paris awaiting trains Friday. Service was reduced by about two-thirds.

TRAVEL UPDATE

New Train Strike Hits France

PARIS (Reuters) — France's second rail strike in a week was due to continue through Saturday with stoppages and slowdowns cutting services in many parts of the country, the state-owned SNCF railroad company said Friday.

The TGV high-speed trains to London, Brussels, Amsterdam and Cologne were among the few that the SNCF said would operate normally as the strike, begun as a 24-hour stoppage to press for more staff, rolled into the weekend. Most other TGV lines will run a reduced service, while most conventional inter-city lines and urban commuter trains will be badly hit, SNCF added.

KLM and Alitalia Join Forces

AMSTERDAM (AFP) — KLM, the Dutch national airline, and its Italian counterpart, Alitalia, announced a far-reaching global alliance Friday under which they will merge their passenger and cargo activities.

The alliance will come into effect in 1999 and is dependent on the substantial privatization of Alitalia by June 2000. Alitalia will also join KLM's partnership with the U.S. airline Northwest, opening up the North Atlantic market to the Italian carrier.

The joint venture will also see the first European multihub system, based on the three airports of Amsterdam-Schiphol, Rome Fiumicino and the newly constructed Milan Malpensa.

Full U.S. Visa Service in Nairobi

NAIROBI (AP) — The U.S. Embassy said Friday that it would restore all visa services next week for the first time since a terrorist bomb destroyed the embassy on Aug. 2. The consular section reopened at a new location Nov. 12 but has only provided visas to students, whose cases were seen as the most urgent. The embassy said that, as of Monday, it would expand its visa services to applicants for all classifications of nonimmigrant visas, including business and tourist visas.

Applicants must make an appointment by telephone. For security reasons, they will not be allowed to bring friends or relatives, baggage or packages to the new consular offices, in a Nairobi suburb.

Nepal will set up a mountaineering museum with financial help from six Japanese alpine organizations, officials said Friday. The museum, to be located in Pokhara, will display records concerning the Himalayas as well as mountaineering gear, photographs and other alpine-related exhibits. *(Reuters)*

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Dublin Drug Dealer Is Convicted Of Prominent Journalist's Murder

By James F. Clarity
New York Times Service

DUBLIN — A Dublin drug dealer was convicted hy a three-judge panel on Friday of the 1996 murder of Veronica Goerin, a prominent journalist known for her aggressive reporting on Duhlin criminals.

Paul Ward, 34, who denied helping to kill Ms. Guerin but admitted that he knew drug dealers who planned to do it, was sentenced to life in prison. Normally, there is no parole before 14 years.

There was no jury because the case was tried in the Special Criminal Court, established out of fear that criminals, and paramilitary terrorists, could intimidate jurors.

Ms. Guerin, 37, was shot five times in the chest on June 26, 1996, as she sat in her car at a traffic light on the outskirts of Duhlin. The killers rode a motorcycle and used a Magnum .357 pistol.

Mr. Ward was accused of disposing of the gun and the motorcycle. His trial was the first of several men suspected by the police of having been involved. The alleged shooter and motorcycle driver have been arrested and face trials in the spring. A third man, the reported head of the drug gang, is in England fighting an extradition order. The names of the three are widely known, but the court has forbidden reporters to make them public. Some have ignored the order.

Mr. Ward's girlfriend, Vanessa Meehan, is the sister of one of the men in jail in the case, who drove the motorcycle, according to the police. The shooter, they say, was a professional killer.

The chief gnvernment witness against Mr. Ward was a fellow-drug dealer, Charles Bowden, who testified that he and Mr. Ward made about $500,000 each selling cannabis in a two-year period. Mr. Bowden, who was placed in a witness protection program, said Mr. Ward was intimately involved with the planning and execution of the crime.

The court decision, read for two hours on Friday morning by Justice Robert Barr, first attacked as unproved assertions by the police that Mr. Ward had confessed to getting rid of the gun and motorcycle. The judge said that the police had put unjust psychological pressure on him, and that there was evidence they beat him around the neck. The police acknowledged that they had failed to vidcotape or record the alleged confession and had lost the ootes of its details.

Bnt the judge went oo to deny that Mr. Bowden was inflnenced by his gaining immunity from prosecution and placement in the witness protectioo program.

Ms. Guerin, who worked for the Sunday Independent newspaper to expose organized crime, was the first European to win the International Press Freedom Award from the New York-based Committee to Protect Journalists.

Rail Worker Is Jailed For Some Heavy Theft

Agence France-Presse

LONDON — A British rail worker was seotenced Friday in the theft of 4 locomooves, 3 passenger cars, 30 freight cars and 3 service cars.

Barry Daly, 43, nicknamed the "Fat Controller" after a character in the Thomas the Tank Engine stories for children, perpetrated an elaborate paperwork fraud to steal the equipment.

Mr. Daly said he intended to sell the engines and cars to railroad enthusiasts, inclnding Pete Waterman, a pop impresario whose trust preserves trains from the 1950s and 1960s. Bot be never delivered

A court in Chester, England, sentenced Mr. Daly to 27 months in prison. He was working as a depot supervisor at Crewe in central England when he carried out the thefts from January 1996 to January 1998.

Mr. Waterman said Mr. Daly came under suspicion about a year ago, when railroad stock for which the trust had paid more than £40,000 ($68,000) was not delivered. "We were absolutely mortified when we found out this stuff wasn't his to sell," Mr. Waterman said.

Mr. Daly also admitted the theft of £42,900 from the Waterman Railway Heritage Trust and the theft of £1,000 from another railroad enthusiast.

BRIEFLY

German Tax Plan Is Assailed

BONN — Chancellor Gerhard Schroeder's government ran into fresh criticism Friday over tax reform plans, just hours after reaching a deal with regional states.

Finance Minister Oskar Lafontaine agreed Thursday evening with ministers from the regional states that they would be compensated in full for revenue they will lose because of government plans to stop taxing low-income jobs.

But Jochen Dieckmann, the head of the German town councils association, said, "We can't be happy because we doo't know how much of the compensation the states are getting will come to us."

The Free Democrats, calling the formula for compensation a "tax monster," said it was complicated and unnecessary. *(Reuters)*

Refugee Boat Rammed Off Italy

BRINDISI, Italy — A speeding motorboat with smugglers at the helm crashed into a dinghy carrying ethnic Albanian refugees from Kosovo on Friday, killing three would-be immigrants, including a baby.

Four other Kosovars were missing and feared dead.

Ten refugees managed to swim to a nearby oil platform. Italy's coast guard later accompanied the group ashore, taking three people who were suffering from exposure to a hospital. The smugglers, who appeared unhurt, sped away from the scene. *(AP)*

WEATHER

Forecast for Sunday through Tuesday, as provided by AccuWeather.

North America Unusually mild weather for the time of year will continue Sunday through Tuesday in Winnipeg, Chicago, Detroit, Toronto and New York City. Showers and thunderstorms could become heavy in Houston and New Orleans. Rain will also soak Seattle and perhaps San Francisco.

Europe A strong storm will bring a chilly rain to Rome to start the week. Rain will then spread into Athens by Tuesday. A chilly wind will blow in Madrid and Marseille. There can be some snow in Vienna and Zurich Sunday into Monday. London and Amsterdam will have chilly weather.

Asia Rather cloudy early next week in Shanghai with times of rain. Perhaps a few sprinkles and flurries in Seoul Sunday into Monday, then cold Tuesday. Dry Sunday through Tuesday in Kyoto and Tokyo. Warm and humid during that time in Hong Kong and Singapore.

Maps, forecasts and data provided by AccuWeather, Inc. ©1998 - http://www.accuweather.com

Europe

	Saturday High C/F	Saturday Low/W C/F	Sunday High C/F	Sunday Low/W C/F
Algarve	20/68	11/52 s	18/64	9/48 s
Amsterdam	7/44	5/41 r	6/43	2/36 sh
Ankara	9/48	4/39 sh	11/52	1/34 c
Athens	14/57	12/53 r	16/61	10/50 sh
Barcelona	11/52	6/43 c	11/52	0/32 c
Belgrade	4/39	-1/31 sn	6/43	0/32 sh
Berlin	3/37	-1/31 pc	2/36	-2/28 sn
Brussels	7/44	4/39 r	4/39	1/34 c
Bucharest	1/34	-3/27 sn	1/34	-5/24 sf
Budapest	3/37	-1/31 sn	3/37	0/32 c
Copenhagen	4/39	-1/31 c	3/37	-2/28 c
Costa Del Sol	19/66	11/52 c	21/70	8/46 c
Dublin	8/46	2/36 c	5/41	4/39 c
Edinburgh	6/46	1/34 c	4/39	1/34 c
Florence	7/44	3/37 r	6/43	3/37 r
Frankfurt	2/36	-2/28 c	2/36	-2/28 sf
Geneva	3/37	0/32 pc	1/34	-4/25 sn
Helsinki	-3/27	-9/22 sn	-2/28	-6/22 c
Istanbul	15/59	11/52 r	12/53	6/43 r
Kiev	-3/27	-9/16 c	-6/22	-9/16 c
Las Palmas	23/73	17/62 s	23/73	16/61 c
Lisbon	17/62	9/48 s	13/55	7/44 s
London	12/53	4/39 r	6/43	-1/31 pc
Madrid	13/55	3/37 pc	13/55	2/36 c
Mallorca	13/55	6/43 c	14/57	1/34 pc
Milan	5/41	-3/29 pc	2/36	-3/27 sn
Moscow	-5/24	-10/16 c	-7/20	-10/15 pc
Munich	2/36	-3/27 c	2/36	-3/27 sn
Nice	11/52	5/41 pc	11/52	1/34 c
Oslo	0/32	-1/31 c	1/34	-4/25 pc
Paris	8/46	4/39 r	4/39	-2/28 pc
Prague	2/36	-3/27 c	2/36	-3/27 c
Reykjavik	6/43	-4/25 r	3/37	2/36 c
Riga	-1/31	-3/27 sn	-1/31	-4/25 sn
Rome	10/50	5/41 r	13/55	2/36 pc
St Petersburg	-3/27	-5/24 sn	-3/27	-5/22 sn
Sofia	2/36	-1/31 sn	1/34	-3/29 sn
Stockholm	1/34	-3/27 c	0/32	-4/25 c
Strasbourg	4/39	0/32 pc	2/36	-1/31 sn
Tallinn	-3/27	-4/25 sn	-2/28	-4/25 sn
Tbilisi	13/55	6/43 r	9/48	5/41 sh
Venice	5/41	-1/31 c	5/41	-1/31 sh
Vienna	3/37	-1/31 c	3/37	-2/28 c
Warsaw	1/34	-2/28 pc	-3/27	-6/22 sn
Zurich	4/39	-1/31 pc	1/34	-2/28 sn

Middle East

Abu Dhabi	31/88	17/62 s	32/89	18/64 s
Beirut	24/75	19/66 c	26/79	14/57 pc
Cairo	27/80	18/64 c	28/82	11/52 c
Damascus	23/73	13/55 c	25/77	8/46 pc
Jerusalem	22/71	14/57 c	23/73	9/48 pc
Luxor	33/91	19/66 pc	32/89	13/55 pc
Riyadh	28/82	13/55 c	29/84	12/53 s
Tehran	19/66	8/46 c	14/57	6/43 c

Asia

	Saturday High C/F	Saturday Low/W C/F	Sunday High C/F	Sunday Low/W C/F
Almaty	1/34	-8/18 sn	-4/25	-13/9 sn
Bali	33/91	23/73 sh	33/91	23/73 t
Bangkok	29/84	23/73 c	32/89	25/77 t
Beijing	8/46	1/34 s	12/53	5/41 pc
Bombay	34/93	18/64 c	34/93	18/64 s
Calcutta	32/89	17/62 c	31/88	18/64 c
Chiang Mai	31/88	20/68 c	29/84	18/64 sh
Colombo	31/88	25/77 pc	29/84	23/73 pc
Hanoi	26/79	21/70 c	27/80	[illegible]
Ho Chi Minh	33/91	24/75 r	32/89	[illegible] sh
Hong Kong	25/77	19/66 pc	24/75	[illegible] pc
Islamabad	25/77	4/39 s	26/79	9/48 s
Jakarta	31/88	24/75 t	31/88	24/75 t
Karachi	32/89	14/57 s	31/88	13/55 s
K. Lumpur	33/91	24/75 c	32/89	24/75 t
K. Kinabalu	30/86	24/75 r	30/86	24/75 c
Manila	29/84	24/75 t	30/86	24/75 r
New Delhi	29/84	7/44 s	28/82	7/44 s
Phnom Penh	31/88	24/75 t	31/88	24/75 s
Pleiku	29/84	22/72 c	32/89	25/77 c
Rangoon	32/89	23/73 sh	32/89	23/73 pc
Seoul	8/46	-9/27 c	10/50	3/37 pc
Shanghai	16/61	8/46 pc	18/64	13/55 s
Singapore	32/89	24/75 pc	32/89	24/75 t
Taipei	23/73	17/62 c	23/73	18/64 pc
Tokyo	12/53	4/39 c	11/52	3/37 s
Vientiane	29/84	19/66 sh	32/89	21/70 c

Africa

Algiers	13/55	7/44 r	16/61	5/41 c
Cape Town	24/75	16/61 pc	25/77	14/57 s
Casablanca	21/70	10/50 s	21/70	10/50 s
Harare	29/71	19/66 r	29/73	11/52 r
Johannesburg	28/79	14/57 pc	27/80	16/61 pc
Lagos	31/88	23/73 pc	32/89	24/75 pc
Nairobi	27/80	13/55 pc	28/82	13/55 pc
Tunis	13/55	8/46 sh	16/61	7/44 pc

Latin America

Buenos Aires	24/75	16/61 sh	26/79	16/61 pc
Caracas	29/82	20/68 pc	27/80	21/70 r
Lima	24/75	17/63 s	24/75	19/64 pc
Mexico City	22/71	7/44 s	20/68	8/46 pc
Rio de Janeiro	27/80	22/71 c	27/80	22/71 pc
Santiago	26/79	5/41 s	26/79	8/46 s

Oceania

Auckland	14/57	13/55 r	19/66	16/61 sh
Sydney	21/70	11/52 pc	18/64	13/55 pc

North America

	Saturday High C/F	Saturday Low/W C/F	Sunday High C/F	Sunday Low/W C/F
Anchorage	-1/31	-4/25 sf	-4/25	-9/16 c
Atlanta	23/73	8/46 s	22/68	10/50 s
Boston	11/52	3/37 c	10/50	7/44 pc
Chicago	17/62	7/44 pc	17/62	6/43 pc
Dallas	24/75	14/57 s	23/73	11/52 pc
Denver	19/66	1/34 pc	13/55	-2/28 sh
Detroit	17/62	6/43 s	18/64	6/43 s
Honolulu	27/80	19/66 pc	27/80	19/66 sh
Houston	25/73	14/57 c	27/80	14/57 pc
Los Angeles	17/62	10/50 r	18/64	9/48 c
Miami	28/82	19/66 s	27/80	19/64 pc
Minneapolis	13/55	5/41 pc	13/55	2/36 sh
Montreal	5/41	-3/27 pc	4/39	4/39 sh
Nassau	27/80	19/66 pc	26/79	19/66 pc
New York	14/57	9/48 pc	17/62	9/48 s
Orlando	27/80	19/66 c	27/80	13/55 pc
Phoenix	21/70	8/46 s	19/66	6/43 sh
San Fran.	13/55	8/46 pc	15/59	9/48 pc
Seattle	8/46	3/37 c	8/46	4/41 r
Toronto	14/57	8/46 pc	13/55	13/55 sh
Vancouver	7/44	4/39 c	6/43	0/32 sh
Washington	17/62	8/46 s	20/68	9/48 pc

Legend: s-sunny, pc-partly cloudy, c-cloudy, sh-showers, t-thunderstorms, r-rain, sf-snow flurries, sn-snow, Hot, W-Weather.

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هكذا من الأصل

Iraq Rebuffs Clinton Over Documents on Toxic Arms

Compiled by Our Staff From Dispatches

BAGHDAD — Foreign Minister Mohammed Said Sahhaf says Iraq rejects the conditions set by President Bill Clinton after calling off the Nov. 14 military strikes on Iraq.

He said Iraq would turn down any request by the chief UN weapons inspector, Richard Butler, that is unrelated to disarmament or that jeopardizes Iraqi security.

In a television interview broadcast late Thursday, Mr. Sahhaf said the government was committed only to a UN resolution that linked the removal of sanctions to a certification by UN weapons inspectors that Iraq was free of weapons of mass destruction. The sanctions were imposed after Iraq invaded Kuwait in 1990.

Mr. Sahhaf, referring to Mr. Butler, said, "This wretched person now thinks he has the backing of the United States of America in accordance with the points raised by its president."

Iraq evaded the military strikes by allowing the resumption of inspections by the United Nations Special Commission after a two-week hiatus.

Mr. Sahhaf said Mr. Butler and the United States were mistaken if they believed that Iraq's decision to cooperate gave them the right to obtain "a yes" answer from Iraq to every demand. But the foreign minister quickly added that Iraq was committed to cooperating with the Special Commission.

Cooperation with the inspectors was one of the conditions that Mr. Clinton laid out in calling off the strikes. He also demanded that Iraq provide the inspectors all documents they need.

Mr. Butler has asked for papers that he says are related to Iraq's biological and chemical weapons programs. Iraq says that most of the documents in question do not exist and that those in its possession will not be handed over for national security reasons.

According to Iraqi officials, the Special Commission has stepped up the pace of daily site visits since resuming work Nov. 18 and has carried out dozens of "surprise" inspections, with Iraq's full cooperation.

But Mr. Butler said last week that intrusive inspections were still "three or four weeks" away. *(AP, AFP)*

Daniel Rubinfeld/The Associated Press

RUSH IS ON — Shoppers crowding a Wal-Mart in Windsor, New Jersey, at dawn Friday for the hottest item of the holiday shopping season: the Furby, a furry, gremlin-like talking doll. Some parents, worried about short supply, started lining up in the middle of the night.

Iraq Crisis Frustrates Arabs

Jordanians Point to Intransigence of Israel And Condemn U.S. Over 'Double Standard'

By Stephen Kinzer
New York Times Service

AMMAN, Jordan — From her jewelry shop on a busy street here, Iman Khalidi is watching the confrontation between Iraq and the United States with growing frustration.

Like many people in Jordan and across the Arab world, she has nothing good to say about Saddam Hussein. But she is angry that Western countries threaten to punish the Iraqi leader for defying United Nations resolutions while, she said, "they just stand by as Israel does the very same thing."

"Absolutely there is a double standard, and it makes us very angry," she said from behind a counter filled with silver bracelets and earrings. "When the UN demands that Israel withdraw from occupied territories and Israel refuses, the world does nothing. But with Saddam, he must do what the UN says or he is bombed. It is so very unfair."

The signing last month of a new accord between Israeli and Palestinian leaders, and the resulting turnover of some occupied land to Palestinian control, appears to have had little effect on the widespread perception in Jordan that Israel enjoys a form of international impunity.

"If you tell the Arab man on the street that Saddam is a murderer, he will agree," said a longtime adviser to King Hussein of Jordan who asked not to be identified. "But he will also ask you when the United States ever forced Israel to accept a Security Council resolution. This is what our people think. There is a sense of injustice."

Israeli leaders concede that they have not fully carried out Security Council resolutions demanding that they return more occupied land to Arabs and refrain from building settlements on such land. But they say they cannot do so for security reasons.

Officials in many Arab countries desperately hope that Baghdad will cooperate with UN weapons inspectors to head off a U.S.-led attack. Egypt, Syria and Saudi Arabia are among countries that have publicly urged him to do whatever is necessary to satisfy the inspectors.

But while Western powers see inspections as a way to weaken Iraq, some Arab leaders hope compliance will ultimately free Iraq of sanctions and allow it to rebuild its conventional military power.

"Many Arab countries do not fear Iraq at all," said Radwan Abdulleh, a former dean of political science at Jordan University.

"They think Saddam is a dictator and deserves to be punished, he said. "But they want Iraq strong enough to be a balance against Israel and Turkey and Iran, although of course not so strong that he can dominate the whole region."

Few Jordanians believe that air strikes against Iraq would produce any positive result.

Iraqi opposition groups say that with the millions of dollars that the United States and Britain have promised them, their prospects of toppling Mr. Saddam are bright. But many independent analysts of Arab politics are doubtful.

"These opposition people are very nice, very civilized," a European ambassador based in Amman said. "but they don't even talk to each other, much less work together.

"As for the Arab masses, they may not sympathize with Saddam but they do sympathize with Iraq, which they see as a victim of American aggression."

Clinton Replies to 81 Hyde Questions

President Again Denies Misleading Grand Jury on Lewinsky

The Associated Press

WASHINGTON — President Bill Clinton on Friday answered the 81 questions put to him by the House Judiciary Committee, asserting that his grand jury testimony on Monica Lewinsky "was not false and misleading."

The whole furor over his attempts to conceal his relationship with the former White House intern "long ago ceased to be primarily a legal or political issue," the president said.

"I hope these answers will contribute to a speedy and fair resolution to this matter," Mr. Clinton wrote to the committee.

In response to several questions in which the committee chairman, Henry Hyde, asked the president to admit or deny giving false testimony under oath — when he swore that Ms. Lewinsky gave him gifts only "once or twice," and when he testified about not knowing that Ms. Lewinsky had been subpoenaed as a witness in the Paula Jones sex harassment case — the president resolutely defended himself.

"That testimony was not false and misleading," is a sentence repeated several times throughout the 34 signed pages that Mr. Clinton submitted to Congress on Friday afternoon.

His lawyer, David Kendall, wrote to Mr. Hyde separately, emphasizing "the president did not commit or suborn perjury, tamper with witnesses, obstruct justice or abuse power." Mr. Kendall promised the committee that another memo in Mr. Clinton's defense was in the works.

On one central allegation of asking his personal secretary, Betty Currie, to conceal evidence in the Jones case, Mr. Clinton responded, "I never told Ms. Currie to take possession of gifts I had given Ms. Lewinsky."

As for vouching under oath for the truthfulness of Ms. Lewinsky's own sworn denials of a sexual relationship, Mr. Clinton said he believed that he had had an advance look at Ms. Lewinsky's affidavit and that he verified its truthfulness because they were both using a definition of "sexual relations" that included only intercourse.

Mr. Clinton lumped together a half-dozen questions about meetings with his aides and his denials to them in the first days after the Lewinsky allegations surfaced last January. To all of those questions, Mr. Clinton responded: "I misled people about this relationship. I have repeatedly apologized for doing so."

After a round of golf on Friday morning, Mr. Clinton finalized the document and sent it to Capitol Hill — three weeks after Mr. Hyde asked the long list of questions about the president's truthfulness in the Lewinsky affair.

White House aides said in advance that Mr. Clinton's responses would closely track his grand jury testimony and public denials of wrongdoing in the furor that has led to a House impeachment inquiry on possible charges of perjury and obstruction of justice.

Mr. Hyde, Republican of Illinois, who first relayed the 81 questions on Nov. 5, wrote Mr. Clinton on Wednesday and demanded that he respond by Monday or face a subpoena. But the White House spokesman, Joe Lockhart, said the Clinton family's decision to return from their holiday at Camp David was unrelated to the yet-unanswered questions.

POLITICAL NOTES

Hard Road for Censure Advocates

WASHINGTON — The idea of censuring President Bill Clinton for his conduct in the Monica Lewinsky scandal, rather than impeaching him, is steadily gaining momentum in the House.

That development reflects the awareness among lawmakers of both parties that the votes to impeach Mr. Clinton on even a single perjury count are in doubt. House Democrats in particular support censure as a means of condemning Mr. Clinton's misconduct without removing him and of shielding themselves from Republican criticism that they are being too lenient.

But it is not clear whether supporters of censure can build a majority for their option. Moreover, the Republican leaders have the power to prevent a vote on censure, which they might do if they were to perceive that it would strengthen the chances of impeachment.

Many of the 228 Republicans in the current Congress — perhaps more than 100 of them — might vote against censure, senior Republican aides say, because they consider it either insufficient or unconstitutional. So a majority of the 206 Democrats and single independent would most likely have to hold firm to win passage of a censure resolution.

There are serious cracks within the Democratic ranks. Many of the 35 members of the Congressional Black Caucus, for example, oppose any punishment of the president, saying he is a victim of a biased investigation by Kenneth Starr, the independent counsel. Other liberal Democrats speak similarly.

But senior Democratic aides express confidence that the party leaders would prevail among their rank and file by making an impassioned argument for unity. *(NYT)*

Liberal Isn't Shy About 2000 Bid

WASHINGTON — Publicly, Vice President Al Gore refuses to acknowledge the obvious: that he is running for president in 2000. Other Democratic and Republican aspirants are also playing coy.

Not Senator Paul Wellstone: The liberal Democrat from Minnesota, a second-term senator and former political science professor, was the first to establish an "exploratory committee" as an initial step for a presidential campaign. It has helped finance his travels as part of his drive to build support.

Recently, Mr. Wellstone wrote to Democrats around the country soliciting funds for his committee and sounding out populist themes for a campaign.

"The American people deserve leadership that comes to grips with bread-and-butter economic issues and takes on powerful interests," he wrote. "The American people deserve a foreign policy that truly reflects our democratic ideals and places human rights at its center. *(NYT)*

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AP4

AMERICAN TOPICS

AIDS Parade Just as Valid As Yankees', Judge Rules

A federal judge in New York has ruled that a parade through lower Manhattan marking World AIDS Day can go forward, saying that the policy cited by city officials to deny a parade permit was unconstitutional.

Judge Harold Baer Jr. said the city's refusal to permit the parade Tuesday on the grounds that it would be disruptive hinted at discrimination by a city that has allowed three ticker-tape parades since October.

"Who is to say that celebrating the Yankee World Series victory is a more or less extraordinary event than the commemoration of World AIDS Day?" he wrote. "After all, it is presently estimated that 30.6 million people are living with HIV or AIDS worldwide."

Michael Hess, the city's chief lawyer, disagreed, saying, "To say that extraordinary events like the Yankee victory parade and the John Glenn astronaut parade should be treated equally with any group that wants to conduct a parade, we think, is not the right interpretation" of the constitutional guarantee of free speech. He said the city probably would appeal.

Meanwhile, a plan to raise a Christmas tree adorned with condoms in the Central Park skating rink as part of an AIDS-awareness event has been canceled. A Roman Catholic group and others had questioned whether it was possible to cover a Christian symbol in contraceptives in a tasteful way.

Mayor Rudolph Giuliani called the plan "one of the most idiotic ideas I've ever heard of."

A Parks Department official said parents might not want their children to see a condom-bedecked tree. But that, said sponsors of the event, was precisely the point.

Short Takes

In more than 30 states and scores of cities, this week was observed as Bible Week in recognition of "the historical role of the Bible in American culture and history," as one proponent put it. But many people in Gilbert, Arizona, viewed it as an unwise act, possibly an unconstitutional mixing of church and state, when their mayor, Cynthia Durham, proclaimed a Bible Week for Gilbert. Backed by the American Civil Liberties Union, they are suing to nullify her proclamation, and a similar one by Governor Jane Hull. Ms. Durham and Ms. Hull say they will fight the challenge.

The phones will be busy late next month at the National Runaway Switchboard, a federally funded toll-free hot line for troubled youths. Twice as many calls come in during the week after Christmas as during the rest of the month, reports The Atlantic Monthly. Hot line officials say family strife, reined in during the holiday, often erupts shortly afterward.

No one knows how many runaways and homeless children there are in the United States, though the figure is believed to exceed a million. The hot line collaborates with the Greyhound bus line to give runaways tickets home.

A 77-year-old Florida man with a sleepwalking habit awoke recently to find himself up to his armpits in alligators. When James Currens, of Palm Harbor, wandered from home, he stumbled into a pond and awoke in several feet of water, his legs stuck in the mud. Several gators, some longer than 3 feet, came to visit, he said. He fended them off with his cane — sleepwalkers, take note — until neighbors heard his cries and summoned police. Mr. Currens suffered no serious injury.

Brian Knowlton

Away From Politics

- **The U.S. Postal Service lost $84.7 million attempting to develop 19 new products it hopes will compensate for the mail it is losing to new forms of electronic communication.** *(WP)*
- **A death row inmate escaped Friday from a prison outside Huntsville, Texas, by hiding in a recreation yard, bounding over two fences and avoiding shots fired by a guard.** *(AP)*
- **The historic Northwestern Pacific Railroad was ordered closed by the Federal Railroad Administration because of safety risks and its threat to the environment.** *(AP)*

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The Golden Bull

"All the people said to one another 'This is the god [the golden bull] that brought us out of Egypt.' . . .

He melted the idol the people had made and he ground it into dust.

Moses knew that the people were out of control... and had made fool of themselves."

EXODUS, Chapter 32

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As African Talks Start, Paris Rebuffs Effort to Charge Kabila

By Craig R. Whitney
New York Times Service

PARIS — As 34 African heads of state began a French-African summit meeting here, prosecutors in Paris turned down requests Friday by two French human rights groups to begin criminal proceedings against President Laurent Kabila of the Democratic Republic of the Congo on torture charges.

Mr. Kabila, whose forces took power in what used to be called Zaire last year after driving out its longtime president, Mobutu Sese Seko, arrived Thursday from Belgium, where authorities had assured him that his office gave him diplomatic immunity from prosecution or extradition on human rights charges.

Charles Josselin, the French minister in charge of relations with African countries, was asked by reporters in Paris why a former Chilean dictator, Augusto Pinochet, could be held in Britain for possible extradition to Spain on charges of murder for crimes committed under his rule, but Mr. Kabila and other African strongmen invited to France could enjoy impunity.

"He was invited as the head of state of Democratic Congo," Mr. Josselin said. "In this capacity, he benefits from the immunity accorded to heads of state while in office, a big difference with General Pinochet, who no longer was," he said.

Two human rights groups, the International Federation of Human Rights Leagues, and the French League for the Defense of Human Rights, had asked prosecutors to begin an investigation of massacres allegedly committed by Mr. Kabila's forces as a violation of a 1984 convention against torture and other cruel, inhuman or degrading actions.

Officials in the Paris prosecutor's office said that the convention did not clearly apply to heads of state, and that the complaints by the two groups had not named any individual victims of torture whose cases could be investigated.

President Jacques Chirac, who opened the conference Friday afternoon in the Louvre museum, greeted Mr. Kabila perfunctorily, but plans to meet with him in the Elysee Palace on Saturday.

Mr. Chirac renewed France's call for an international conference, under UN auspices, on peace, security and stability in the Great Lakes region, where both Rwanda and Uganda are supporting rebels against Mr. Kabila's rule in eastern Congo. Angola, Namibia, Chad and Zimbabwe are backing Mr. Kabila.

Asked whether he might see the Ugandan and Rwandan leaders while he was here, Mr. Kabila said, "A meeting with the aggressors is possible."

Mr. Chirac also said he planned to meet with all the leaders involved in the Congo crisis while they were in Paris.

He told the African leaders Friday morning that they needed a collective security system for resolving conflicts like those that a quarter of all sub-Saharan countries had been involved in this year. He said that France was prepared to play a role in peacekeeping operations if international authorities wished.

But France has cut back its forces in its former colonies in Africa to about 6,000 soldiers over the past two years, down from 7,860, and intends to keep cutting to about 5,000 as part of its plan to reduce and professionalize the French military.

Mr. Chirac, a conservative, and his Socialist prime minister, Lionel Jospin, have told African leaders that the old days when France used to send in paratroopers and the Foreign Legion to prop up friendly dictators were gone forever.

"The period of outside interference is over," Mr. Chirac reiterated Friday.

"There is a necessity for African countries, and that is to inspire confidence," Mr. Chirac said, "for without confidence there is no economic development. To inspire confidence in the world today, countries have to appear respectful of the principles of democracy."

China Tells Japan: Past Is Present

The Associated Press

TOKYO — The tortured history between Japan and China should not be ignored in the rush by the two countries to build stronger relations, President Jiang Zemin of China told Japanese lawmakers Friday.

Mr. Jiang met with legislators the day after Prime Minister Keizo Obuchi offered a verbal apology for Japanese aggression in China during World War II — a statement that broke no new ground in settling grievances between the two.

Many conservatives in Japan are opposed to an explicit apology to China, and some have accused Beijing of perpetuating historical wounds that are already settled and should be forgotten.

But Mr. Jiang — the first Chinese head of state to visit Japan since World War II — said facing the past is crucial to improved ties.

At a morning meeting with Japanese legislators on Friday, Mr. Jiang touched on the issue of Japan's invasion, referring to history as a "mirror" that was important for the future of bilateral relations.

"China is said to take up the historical issue too often, but I don't agree with such a view," Mr. Jiang was quoted by Kyodo news agency as telling the Japanese Communist Party leader, Teiszo Fuwa.

In a speech at a welcoming dinner Friday night, Mr. Jiang said both countries must understand past conflicts to move ahead.

"By making history a lesson for both China and Japan, and by preventing tragedy from being repeated," Kyodo quoted him as saying, the two countries "can develop long-lasting friendship for the first time."

Tokyo took over northeast China in 1931 and then launched an all-out invasion of China proper in 1937. Japanese troops massacred civilians and Japanese doctors experimented on prisoners of war.

Mr. Obuchi's oral apology on Thursday did not go beyond a similar statement issued in 1995. A joint written declaration included a more ambiguously worded apology saying Tokyo was "conscious of its responsibility" for suffering caused to the Chinese people.

The Japanese media reported that Mr. Jiang expressed his disappointment with the communiqué by agreeing with Naoto Kan, the Japanese opposition leader, on Friday that it was not contrite enough.

Germany Will Not Seek Extradition of Kurd, Citing Risk of Violence

Reuters

BONN — Chancellor Gerhard Schroeder said Friday that Germany would not ask Italy to extradite the Kurdish guerrilla leader Abdullah Ocalan, but that Mr. Ocalan should appear before a European or international court.

Citing a threat to internal peace, Mr. Schroeder said, "I have asked the Italian prime minister for his understanding that we will not make a request for extradition."

"This is because we are the country in Europe with the most Kurds — often refugees — and Turkish citizens," he said at a press conference with Prime Minister Massimo D'Alema of Italy. "We are interested in protecting the peace in Germany."

Mr. Schroeder said, "This is one of the most difficult decisions that has had to be made in the recent past."

In Ankara, the government said the refusal by Germany to seek the extradition made it even more essential that Mr. Ocalan be handed over to Turkey.

"As Germany has announced that it would not ask for extradition, the only option is the extradition to Turkey," the Foreign Ministry said. Mr. Ocalan, it said, "is a Turkish citizen and has committed terrorist activities in Turkey."

Turkey blames Mr. Ocalan, arrested in Italy two weeks ago, for leading a 14-year guerrilla campaign for self-rule in which some 29,000 people have died.

An Italian court on Nov. 20 refused an initial Turkish request for his extradition. The Italian Constitution prevents the government from handing over a suspect to countries like Turkey where the death penalty is legal. Germany issued an arrest warrant in 1990 accusing Mr. Ocalan of inciting followers in Germany to murder.

Mr. Schroeder said he and Mr. D'Alema had agreed they would work immediately to hsve Mr. Ocalan, leader of the Kurdish Workers Party, appear before a European or international court.

Mr. D'Alema said he was "convinced one must find a solntion" in which an international court could decide the matter. He said he understood Germany's reasons for declining to seek extradition and that he hoped a solution could be found this year.

Germany had come under mounting pressure to ask for the extradition of the guerrilla leader.

Germany is home to more than 2 million Turks and a half-million Kurds, and Mr. Schroeder said he had to weigh the consequences of an extradition request against potential violence at home.

"With the background of feared disturbances of the peace in Germany we decided not to do anything," he said.

Mr. Schroeder said that he and Mr. D'Alema agreed to work together to fight "terrorists."

"We are both of the opinion that terrorism has to be prosecuted and punished," he said.

Kurdish groups from all over Germany rallied on the opposite bank of the Rhine from the Chancellery as the two leaders met.

The Associated Press

Home Secretary Jack Straw, left, got extra time to answer Spain's request. Police facing Mapuche Indians who protested Friday at the presidential palace in Santiago, holding pictures of Mapuche they said were genocide victims.

PINOCHET: *Blair Insists He Has No Role in Judicial Decision*

Continued from Page 1

ciding whether or not to issue the so-called Anthority to Proceed but that he would consider counsel in writing. He has made no comment on the matter.

Earlier Friday, the prime minister's office confirmed that neither Mr. Blair nor other cabinet colleagues would be involved in the decision by Mr. Straw, who is acting in a "quasi-judicial" capacity. The spokesman for Mr. Blair said that Mr. Straw "will not be seeking the views of cabinet colleagues," and added: "The prime minister does not expect to be consulted on this at all."

When Mr. Insulza, a onetime opponent of the Chilean dictator, drove off, protesters pressed pictures of victims of the Pinochet regime against the window of his limousine and shonted "Traitor!" after him.

The Times of London reported Friday that General Pinochet was suffering from "stress" and that his attorneys might try to stop the extradition process by claiming that he is mentally unfit to stand trial. But Michael Caplan, one of the general's lawyers, later songht to discredit the account in court.

After the magistrate, Mr. Parkinson, called on the general to appear Dec. 11, "subject to any medical reports," the lawyer said it would be wrong of him to enter into the debate about his client's health, but added: "I have been concerned about inaccurate reports appearing in the press."

General Pinochet is at Grovelands Priory Hospital in North London recovering from spinal surgery seven weeks ago. His doctors have said he is able to leave the hospital, and he is expected to be moved into a house being rented by friends in days.

Mr. Insulza flew to London on Friday amid growing expressions of concern from public figures and businessmen that the Pinochet case could damage British-Chilean relations and trade and destabilize democracy in Chile. The deputy chairman of the British Chilean Chamber of Commerce in Santiago wrote a letter to The Times published Friday that said the British government should be "pragmatic in its relationships with its trading partners."

He concluded, "The government does not have a mandate to play Robin Hood to the world."

Figures released by the British Chilean Chamber of Commerce based here show that Chile earns nearly twice as much as Britain — $656 million compared with $351 million — from trade between the two countries. Britain's main exports are specialized machine parts, propane gas and Scotch whisky, and British investors have shown interest in participating in major privatizations of Chilean utilities like its water companies.

Fears have been expressed about consumer boycotts of British goods in Chile.

VATICAN: *The Pope Sets the Tone for the Church's Millennium*

Continued from Page 1

with collective penitence. Pope John Paul II asked Catholics to seek forgiveness for past historical errors during the Jubilee. He also asked rich nations to ease or substantially eliminate Third World debt.

And he said that individual sinners would be granted "plenary indulgences," a full pardon as opposed to a partial one. He included personal acts of penitence or local charity work as a way of earning an indulgence, which he described as "one of the constitutive elements of the Jubilee."

The Pope decreed that the Jubilee would begin on Christmas Day 1999 and end on the Feast of the Epiphany, Jan. 6, 2001. Throughout the period, believers will be offered a wider selection of ways to receive a plenary indulgence. They can go the classic route, by attending a Mass in one of several designated churches and performing such devotions as the rosary or the Stations of the Cross; or, an appendix in the Pope's letter explains, they can visit the sick, the imprisoned or the handicapped.

They also can give money to the poor, or can choose an act of private sacrifice. As the appendix, signed by William Cardinal Baum, a top Vatican official, explains: "This would include abstaining for at least one whole day from unnecessary consumption" (e.g from smoking, or alcohol, or fasting, or practicing abstinence according to the general rules of the church and the norms laid down by the Bishops' Conferences). The text points out that sinners must also fulfill the "usual spiritual and sacramental conditions" and say the "usual prayers."

Warning that winning an indulgence required a sincere process of repentance and could not be reduced in an expedient one-day sacrifice, Archbishop Crescenzio Sepe, a top official in the Vatican's committee of the Great Jubilee of 2000, warned: "One could be tempted to think, 'Today I won't smoke or I won't drink wine. I'll get a plenary indulgence and get to Paradise.'" That, he said, would be wrong, "that would not be the spirit of an indulgence, that would be off-beam, like returning to the thinking of the Middle Ages."

But the archbishop did not make light of one-day sacrifices. "It's not so easy for some to give np smoking for a day," he said pensively. "It might be easier to visit a prison inmate."

The Pope's decision to expand the use of indulgences during the millennium celebration is not surprising. In 1985 the Pope revealed his respect for the practice by allowing Roman Catholics to receive indulgences over television. Believers who followed a church service where an indulgence was granted on television or radio, could be included — as long as they fulfilled the same conditions as those actually present, including confession, communion and prayer.

Indulgences, which began in early Christian times, have not always been favorably viewed. In the 16th century, Pope Julius II offered indulgences in exchange for contributions to build St. Peter's Basilica in Rome. Martin Luther protested and was excommunicated in 1521. The church later banned the sale of indulgences, but the Vatican reaffirmed their religious importance at the Council of Trent in 1563. And in 1968 Paul VI elaborated on the subject.

Including indulgences in the 2000 Jubilee "could not be avoided," said the Reverend Jared Wicks, a theologian at Gregorian University in Rome. "Conservative Catholics would find it intolerable that, for ecumenical considerations, the church put into the closet a practice affirmed by the Council of Trent."

Gerard Julien/Agence France-Presse

The Pope is reaching out to conservatives in the Catholic church.

SINGAPORE: *Putting On a Liberal Shine*

Continued from Page 1

Nomura International in Hong Kong, added: "Singapore has been much more willing to bite the bullet than Hong Kong. That's a big change."

While Singapore has thrown off old regulations and taken a knife to its high costs, Hong Kong has moved in the opposite direction: intervening to prop up its stock market, imposing a raft of new restrictions on trading and suspending government sales of land to stem the decline in real estate prices.

"We're seeing Hong Kong become more like the Singapore of the past, and Singapore become more like the Hong Kong of the past," said Mac Overton, a portfolio manager at MBF Unit Trust in Hong Kong.

For now at least, Hong Kong has geography on its side. While Hong Kong is the doorstep of China, a vast and still-growing economy, Singapore is sandwiched between two of Asia's sickest countries, Indonesia and Malaysia. Relations in the neighborhood are fragile in the best of times and have frayed badly under the pressure of the downturn.

Indeed, officials in Singapore said its precarious geography had helped solidify popular support for the government's painful recovery package, which seeks to carve $6.5 billion in costs out of the economy, mostly through a reduction of 5 percent to 8 percent in wages and even deeper cuts in pension benefits.

[Singapore announced Friday that it would lower the capital adequacy requirements for its banks in an effort to help them compete in the global banking industry, Bloomberg News reported.

[While Singapore's banks will still have to maintain their capital adequacy ratio at 12 percent — higher than the 8 percent required by the Bank of International Settlements — they will be freed, as of Tuesday, to reduce the Tier 1 capital used to calculate the ratio, said Lee Hsien Loong.]

"One reason Singapore has been so cohesive for so long is because of the economic and political stress we went through in the 1960s and 1970s," said the younger Lee, who introduced the economic recovery package in Parliament. "When you are very small and you have to struggle for your living, if you don't hang together, you hang separately," he said.

Unlike Hong Kong, Singapore has allowed its currency to drift downward, though not as much as other regional currencies. In August, the Monetary Authority adopted a more flexible exchange-rate policy and the Singapore dollar has since risen along with Asia's other resurgent currencies.

Years before the current crisis, Singapore was eager to stake its claim as Asia's financial mecca. It exploited its convenient time zone to become the world's fourth-largest foreign-exchange market, after London, New York and Tokyo. But it trails Hong Kong in stock trading and asset management.

Now Singapore sees a chance to close the gap. It has opened its government bond market, eased restrictions on foreign brokerage firms and tried to attract asset funds like Templeton by promising low or zero tax rates.

Lee Kuan Yew, who inspired the moves, said in a written response to questions that he was influenced by Hong Kong's success, by discussions with leading bankers and by his membership on the international advisory board of J.P. Morgan & Co., where he witnessed the changing world of global finance.

The Singapore International Monetary Exchange, or Simex, has begun selling index futures contracts that track Hong Kong's benchmark index, the Hang Seng. Simex hopes to win business by offering lower margin requirements for its contracts than the Hong Kong Futures Exchange, which raised its margin requirements in September to thwart speculators.

Investors have welcomed Singapore's foray and many are considering whether to move their business southward. "For the big players, Hong Kong's costs have become punitive," said Bill Kaye, senior managing director of the Pacific Group, an asset management fund in Hong Kong.

Hong Kong hurt its image even more when it threatened to deprive Simex of the real-time data that traders need to calculate the value of the Hang Seng index. Investors were able to get the data on a Web site maintained by Morgan Stanley Dean Witter.

Now officials in Hong Kong say they plan to cut prices to fend off the threat from Singapore.

"Our objective is to maintain Hong Kong as the Manhattan of China," said Randy Gilmore, chief executive of the futures exchange.

For all of Singapore's moxie, Hong Kong will most likely cling to that mantle for some time. The difference, according to experts, is that Hong Kong's next-door neighbor, mainland China, is stable, growing and friendly, while Singapore's neighbors are shaky, shrinking and potentially hostile.

KOREA: *Pyongyang Military Is Losing Its Ability to Invade the South, Pentagon Says*

Continued from Page 1

week, the Pentagon released a new report on its security policies toward Asia in which it reaffirmed its intent to maintain U.S. forces in Asia at the current level of about 100,000.

Some analysts speculated that U.S. officials may be calling attention to these signs of North Korean weakness in send a message to the Pyongyang regime, which has recently sought to frighten its neighbors with missile tests and hints that it is expanding its nuclear program.

The U.S. intention may be to point out to North Korea that Americans and South Koreans also understand some of the North's vulnerabilities.

Nicholas Eberstadt, an analyst at the American Enterprise Institute in Washington, said that Pyongyang's declining ability to invade might become a political problem internally in North Korea if the population realizes that the often-repeated promise of eventual reunification with the South through the use of force is now only a faint possibility.

"Losing the capability to follow through with this could be a very problematic thing for Pyongyang," he said.

The threat of snch an attack has long been a tenet of nationalist faith in the North. Pyongyang's leadership has often asked its people to sacrifice so they could seize the South and reunify their country.

To be sure, the North's expanding ballistic-missile program, its huge chemical weapons arsenal and nuclear ambitions continue to deeply worry U.S. officials. And, as the U.S. defense official noted, the North could still inflict "devastating and unacceptable damage" to the South through an artillery and missile bombardment.

Still, the declining threat of the long-feared invasion reflects how much the military equilibrium on the peninsula has changed.

U.S. military officials have noted signs of declining readiness for some time. The North Korean military has cut back on the training exercises that are essential for maintaining the skills of the personnel who operate its 4,000 tanks and 600 combat aircraft.

U.S. officials believe the North Korean Air Force has reduced training sorties near the DMZ by as much as 75 percent; most of the training that does occur, they believe, involves routine flights rather than the more elaborate exercises that keep up pilots' fighting edge.

This training has been cut back, in part, because of the lack of imported fuel. In addition, the military wants to avoid unnecessary wear on equipment at a time when spare parts are in increasingly short supply.

North Korea is believed to spend more than a quarter of its resources on the military, and it has carefully husbanded food supplies for the troops at a time when thousands of civilians are starving. Nevertheless, U.S. military officers point to reports that soldiers also have gone hungry, and that this has hurt morale.

"It's getting worse in many ways," the American defense official said.

U.S. and South Korean military officers have usually assumed in their planning that the North's powerful drive might be able to advance for several weeks before the Americans and South Koreans began to push it back.

But now Pentagon officials appear to have come to the conclusion that the North could not effectively break out of the border area, nor carry on the vital job of resupplying its front line forces.

INDONESIA: *Government Plan for a 'People's Economy' Worries Some Economists*

Continued from Page 1

resign, is running roughshod over ethnic Chinese interests to bolster his political standing and the fortunes of Muslim-controlled businesses allied with him.

The result could be a fresh blow to investor confidence, especially among the ethnic Chinese, whose businesses have been frequently targeted during violent unrest in recent months.

"The politicians are weak, so the most appealing policies are populist ones," said Alex Wreksoremboko, head of research at the Jakarta office of Merrill Lynch & Co. "And sequestering assets from rich Chinese is of course very popular."

The International Monetary Fund, which is leading a $43 billion international rescue for Indonesia, has blocked some of the more extreme plans to effectively expropriate property from Chinese conglomerates, he said. But the government has moved to require conglomerates involved in lumber and plantations to transfer 20 percent of their assets to cooperatives, and it has ended their special distribution rights in such markets as cooking oil, a major staple.

Established during the 1950s as a counterweight to avaricious capitalism, thousands of cooperatives run by the state operate at the village level and above, acting in a variety of financial roles, such as making small loans, marketing crops and buying consumer products at cheap bulk prices. Critics accuse them of gross corruption and inefficiency.

"What's happening now is an attempt to go back to this tired, old 1950s paradigm," said Eugene Galbraith, a Hong Kong-based brokerage firm executive who spent eight years working in the Indonesian countryside.

"The cooperatives are a mess. They're not cooperatives like you and I might understand it," he said, as in people with common interests banding together. "They're organizations run by the state, and they're called cooperatives because the members are told to cooperate."

An Indonesian banker, who requested anonymity, said his bank was often approached by officials of cooperatives who, when they asked for loans, demanded bribes as well. "Not everybody does it," he said. "But they are not audited, and they're very political, very corrupt. The government wants to put trillions of rupiah into them; they say, 'This is for the poor,' and it sounds good, but it isn't going to work."

Mr. Adi and other officials contend that objections to the plan are based on misunderstandings. "The policy has nothing to do with ethnicity," he said, adding that ethnic Chinese could participate in programs to promote small enterprise.

Mr. Adi said the approach was aimed at changing Indonesia from a "primitive market" to a modern one. He said the government had every right to stop a handful of conglomerates from exercising monopoly powers in such sectors as paper and cooking oil.

The dispute has arisen at a time when Indonesia's economic policies are generally winning high marks from economists, notably the IMF and World Bank, which have praised the government for sticking to a disciplined monetary policy that has brought inflation down.

But many private economists are skeptical that investor confidence has begun to revive. They are particularly dubious about official claims that the rupiah's strength is based on a return of private capital. Evidence abounds that people with money in Indonesia are reluctant to keep it there, specialists say, because the political outlook is uncertain at best.

"The new economic policy looks too emotional," said Pande Silalasi, head of the economics department at the Center for Strategic and International Studies in Jakarta. "And if investors see that there is discrimination against the big firms, I think they will leave Indonesia."

هكذا من الأصل

BRIEFLY

Train-Crash Toll In India Near 200

KHANNA, India — Giant cranes untangled wrecked cars Friday in the effort to retrieve more victims of the crash of two passenger trains, bringing the number of bodies recovered to 192. More bodies were expected to be found.

Officials said 260 people were injured, 30 critically, when the Calcutta-bound Sealdah Express crashed into the Frontier Mail, which had jumped the tracks minutes before the crash Thursday at Khanna, 200 kilometers (125 miles) northwest of New Delhi.

Teams of doctors operated through the night and into Friday, amputating legs and hands to free trapped survivors.

Workers cleared and opened one of the two railroad tracks Friday after a 46-hour disruption. *(AP)*

Singapore Denies Role in Burma Aid

SINGAPORE — Singapore said Friday it was not involved in an initiative by the World Bank and the United Nations to offer $1 billion in aid to Burma if the military regime began talks with the opposition.

A Singaporean Foreign Ministry spokesman said that "neither the World Bank nor the United Nations has approached Singapore" about development assistance to Burma and that Singapore was "puzzled by reports" that it was expected to contribute.

A report in the International Herald Tribune on Thursday said Singapore would be expected to provide some of the funds for Burma, though the bulk of would come from Japan. *(AP)*

Chinese Executive Is Condemned

SHANGHAI — The former head of a state-owned Chinese automaker has been sentenced to death for embezzling more than $7 million, the company said Friday.

Huang Peiyu, former chairman of Xiamen Motor Co., was convicted of selling part of the government's stake in his company and diverting the money to a personal account in the Cayman Islands.

The sentence was suspended for two years, and Mr. Huang's life might be spared if no other irregularities are found, the company said. *(AP)*

Reuters

Chia Thye Poh said Friday that the security act "tramples" human dignity.

As Ban Ends, Singaporean Vows to Fight Security Law

Reuters

SINGAPORE — A former member of Parliament in Singapore who spent more than half his life in prison or under observation said Friday that he planned to push for the abolition of the law that put him behind bars without being charged.

"As a victim of the notorious Internal Security Act, I sincerely call on the government to abolish the act," Chia Thye Poh, 57, said a day after the Home Ministry announced the lifting of the last restrictions on his movements under the act.

Mr. Chia, a former lawmaker of the leftist Socialist Front, was arrested Oct. 29, 1966, under the Internal Security Act, which allows detention without trial for renewable two-year periods. He was in prison for more than 20 years until 1989, when he was allowed to live under restrictions on Sentosa, a nearby island south of Singapore.

"The best parts of my life have been taken away just like that," Mr. Chia said. "Personally, I have no grudge. But as long as the policy is not just, not only myself but others will also suffer."

He described the Internal Security Act as a law that "tramples on the human dignity and strikes fear into the mind of the people."

Before being moved to Sentosa, he was kept in at least three prisons. "Though I was not physically assaulted, I had been put in a dark cell and solitary confinement," he said.

In the 1980s, Mr. Chia suffered eye problems that a doctor said were caused by the lack of light in jail. He also had a lung infection, but was given regular medical attention.

Since 1992, Mr. Chia, who is single, has lived on the main island with his parents.

He was unable to issue public statements, attend public meetings, join an association or act as an adviser to any organization. In 1997, however, he was allowed to travel to Germany to take up a one-year research post at the Hamburg Foundation.

Although he was never charged or brought to trial, the government at the time of his detention accused him of being a Communist.

"The only way out," he said, was to "sign a statement, but how do I sign a statement that is not true? That is against my conscience. I was never under any Communist party. I was merely performing my duty as a member of Parliament."

Mr. Chia now works as a translator for Sentosa Development Corp. and is paid on a piecemeal basis translating Chinese-Malay-English documents.

He said that he would champion the abolition of the Internal Security Act but that had no specific plans for a return to politics.

"I am still interested in politics because politics cannot be separated from life," he said.

But Mr. Chia avoided specifics on whether he would aim for political office again or join the opposition.

In announcing the lifting of the Internal Security Act restrictions on Mr. Chia, the Home Affairs Ministry said that he was unlikely to engage in activities prejudicial to security, but should he reinvolve himself, then "he would be dealt with firmly under the law."

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EDITORIALS/OPINION

Herald INTERNATIONAL Tribune
PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

A Foregone Primary Season

President Bill Clinton is not yet halfway through his second term, but many party regulars believe the race for the presidential nominations in the year 2000 is already over, and that only an unexpected political tsunami could keep Vice President Al Gore and Governor George W. Bush of Texas from being the winners. Their posiòons on the issues and success as campaigners are obviously part of the reason. But another is the tacòcal importance of an accelerated schedule of presidential primaries, whicb will require enormous sums of money and name recognioon during the first few weeks of the election season.

States have been racing to get their primaries at the front of the calendar to enhance their impact on the nominating process. California and New York will hold their elections on Marcb 7, 2000, as will most of New England. Legislatures in other states, including New Jersey, are considering joining that pack. Eight Western states are planning to hold a "Big Sky" primary the following Saturday. Unless something changes, the nominations will be decided over one long, expensive late-winter week.

This is a recipe for voter alienation — a rush of primaries that are over before the electorate has even begun to think about the presidential race, followed by a seven-month campaign between the two winners.

Front-loading the election season will make the grassroots contest in New Hampshire meaningless, since a dark-horse candidate who wins there would have no chance nf surviving the big bicoastal primaries two weeks later. But the primary crunch could lead to more reliance on the unrepresentative, easily manipulated straw polls that state parties will begin holding to 1999, well before the beginning of primary season.

The already battered campaign finance system will take yet another lump, since public matching funds for the presidential campaign are not distributed until rather late in the primary season. The real decisions on nominations will be made while candidates are still waiting for the first check.

Steve Grossman, chairman of the Democratic Naòonal Committee, told a recent meeting of secretaries of state that he regarded decline in voter participation as a "threat to the future of democracy." But in the same speech, be declined in make any attempt to stop the pileup of early primaries in 2000. Mr. Grossman claimed that there was no time to develop a new system before the states submit their final plans in May.

Cynics among the Democrats believe the Democratic National Committee's lack of interest in the problem may have something to do with the fact that the present schedule will help Mr. Gore.

Mr. Grossman is right that such a change would be far too complicated to put into effect for 2000. Bot the two parties could simply agree to push their entire primary season back by a month or more. The date for the first post-New Hampshire primaries could be moved from the first Tuesday in Marcb to the first Tuesday in April or May. That would please candidates for state and local offices, who generally dislike being forced to begin their campaigns so early. More important, it would give the public a decent amount of time to get to know the candidates and consider their platforms. If the parties want to see more voters participate in the process, they must mold the process in a way that makes it easier for the public to get involved.

—THE NEW YORK TIMES.

Guam's 'Fellow Americans'

President Bill Clinton, returning from Asia, dropped by the American Pacific territory of tiny, distant, lonely and federally voteless Guam. His visit was a personal contribution to a broader administration effort to de up louse colonial ends in an island the United States acqoired in the Spanish-American War fully 100 years ago.

There may be oo great political stakes involved in this attempt to ease the political situation of the 145,000 American Guamanians. Still, it deserves to be a matter of concern to Americans that these issues are oot being moved more energetically to a satisfactory outcome.

The problem lies in the tension between affording the citizenry full powers of self-government and protecting other American interests, primarily the integrity of the U.S. Constitudon. Guam's commission on self-determination has recommended legislation to designate the island as a "commonwealth."

If the United States approved, a Guam commonwealth would transfer important national powers, such as the gaining of relief from federal immigration and labor standards, to local control. But these powers simply are not available to territories under the American flag. Despite U.S. government efforts to respond to Guam's aspirations for self-government within the U.S. poliòcal family, the commonwealth proposal seems to be stalled.

A plan by Guam to hold a referendum next year oo full self-government statuses (free associaòon, independence, statehood) has similarly enconntered U.S. disfavor, not least for proposing to limit the vote to the minority of the population drawn from the original Chamorros.

The fact is that since the admission of Alaska and Hawaii as states, the United States has had no coherent policy to deal with the far-flung American territories and their future status. Not only is scant national urgency felt for the task, but the territories also differ among themselves in their aspirations and circumstances.

In Guam the issue of status was considered important enough for Governor Carl Gutierrez to try to make himself more of a player by doing some dubious fund-raising for Mr. Clinton in 1996.

Mr. Clinton needs to continue searching for ways to help Guam and other territories explore status alternatives that can earn popular favor without neglecting American interests or bending the constitution out of shape. Congress has its own obligation to join the searcb in a systematic way. Meanwhile, specific problems and grievances can be tended to. For instance, while in Guam, Mr. Clinton promised to expedite release of land no longer needed by the American military for its bases. After all, the people of Guam are, as he said in greeting them, "fellow Americans."

—THE WASHINGTON POST.

Managed Care Redux

The last Congress was distinguished by a number of bills that appeared to have majority or near-majority support but failed. These were mainly Democratic proposals — on managed care, campaign finance and the like — that had attracted enough apparent Republican interest to pass, but that the Republican leadership scotched on the theory the party would be better off denying the Democrats the victories. The election suggested that theory was wrong. The question is how the new Republican leaders will respond when the Democrats renew the proposals in the next Congress.

Managed-care regulaòon appears likely to provide an early test. It is simpler than sucb subjects as campaign finance, it has great resonance with the public, and the bill is fairly well developed. The president and Democratic leaders suggested shortly after the election that it would be first on their list.

For all the tussling over it last year, it is fairly modest legislation. The goals are to limit how far managed-care organizations can go in denying or refusing to pay for care in their effort in cut costs and to give greater recourse to patients who are turned down. Most of the provisions are fairly conventional consumer protection. A health care plan wonld have to provide ample information as to costs and what it did and did not cover and about its economic relationships with its providers.

More than one-seventh of the U.S. population now lacks health insurance. The high cost nf care is the principal cause. Managed care is the main device American society now employs to contain that cost. Without some form nf cost containment, care will become even less accessible. The need is to place controls on the cost-controllers while allowing them to do their job. It's a difficult issue, and the Republican leadership treats it with contempt at its peril.

— THE WASHINGTON POST.

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Russia Needs an Eliot Ness to End Its Crime Wave

By William Safire

WASHINGTON — During the spring primary elections in Chicago in 1928, candidates were machine-gunned and bombs at polling places terrorized voters. Desperate to prevent political violence in the November election, the head of the Crime Commission went to the city's most powerful gangster, Al Capone, to plead for help.

Capone, amused and flattered, delivered. With his cooperation, all known local gunmen of his and rival gangs were rounded up on Election Eve. Violence was suspended long enough for peaceful citizens to vote; "not one election fraud," marveled the anti-crime chief at the display of Capone's power.

In Russia today, organized gangs of criminals are gunning down reform candidates, honest officeholders and journalists. The country is out of the government's control, and nowhere is political crime more violent than in St. Petersburg, heart of Russia's democratic reform.

In the run-up to local elections, Galina Starovoitova, Russia's leading female advocate of democracy, was murdered. Weapons made in America and Italy were left at the scene. Her press aide, also shot, was able to call the police and is under heavy guard as a witness.

Miss Starovoitova's funeral this week brought together the splintered reformers for the first time since the murder last year of St. Petersburg's deputy mayor.

Former Prime Minister Yegor Gaidar stood with the Yabloko Party leader, Grigori Yavlinsky, to hear their onetime ally Anatoli Chubais hurl defiance at the intimidators.

The newspaper Izvestia charged that "not one high-profile contract killing has been solved. Nazis, multiplying like plague-ridden rats, encounter no rebuke." Another paper, Trud, published a list of unsolved murders beneath the headline "Under personal control of the president".— deriding Boris Yeltsin's usual assumption of command followed by no action.

The FSB (formerly the KGB) is supposedly investigating. But the oligarch Boris Berezovsky, surrounded by former FSB goons, charged recently that the FSB had ordered his murder; that organization counter-charged that the former goons around Mr. Berezovsky had been involved in contract killings.

Mr. Yeltsin — always dying, never dead — has all but abdicated rule to Yevgeni Primakov. That prime minister cannot be bothered with political crime; he is too busy denouncing America and Britain for daring to threaten Saddam Hussein, and sending new reactors and technicians to help Iran become a nuclear power despite feeble protests by President Bill Clinton. (That's the old spymaster's way of thanking the United States for supplying thousands of tons of free grain to starving Russians this winter.)

How can the United States help the embattled reformers in Russia? Certainly not by pouring more monetary aid down its banking system's drain.

In Washington this week, Vladimir Gusinsky, a media baron supporting democrats in next year's Duma elections, denied that Russia's nouveau riche spirited some $66 billion out of the country in the last four years. But not even an oligarch thinks an infusion of Western money would fix the anarchy in which assassins thrive.

Without condescension, the United States should offer to share with the Russians its experience in combating organized crime. U.S. federal agents and big-city cops know how mafias corrupt officials, and are wise to the latest computer techniques in moving hot money to foreign fronts. Some police officers even remember how to induce rival gangs to "go to the mattresses" and destroy each other.

The point to make to those Russian cops struggling to be honest is that only a few generations ago America had to break the underworld triangle of corrupt politicians, thieving financiers and thugs for hire.

The United States learned how to slice through cozy arrangements by using an elite force recruited outside the establishment. In 1929, at the behest of a Chicago publisher, the newly elected president, Herbert Hoover, sent in a team of agents to break up Capone's violent politico-criminal empire.

Eliot Ness of Cleveland headed an incorruptible force of a dozen "untouchables." They nailed Capone not for his murders but on a white-collar charge of federal income tax evasion. He died in jail — "nutty as a fruitcake," as a gangland visitor reported.

What happened in Chicago 70 years ago can happen in St. Petersburg with Russian "untouchables." It begins with presidential will.

The New York Times.

A Faceless Currency Representing a Virtual Europe

By Régis Debray

PARIS — On Jan. 1, 1999, in Paris, London, Berlin and elsewhere, the European currencies will become subdivisions of one unique currency, the euro. After Jan. 1, 2002, Europe will be left with only seven banknotes of 500, 200, 100, 50, 20, 10, and 5 euros, respectively. There will also be eight coins denominated in "cents," a curious Americanism, indeed, because in all Romance languages or those with Latin roots, "cents" means "hundreds" but not "one hundredth."

What do we see on our future banknotes whose test prints have just been unveiled? On the front, a window, and on the back, a bridge.

Windows and portals symbolize the spirit of openness. Bridges convey the idea of communication. The 5-euro note depicts an antique bay and an aqueduct, 10 euros a Roman portal and a stone bridge and so on. The 200-euro bill shows a glass door and a viaduct.

There is no image of even a single human being, not even a silhouette on these bridges suspended between heaven and earth as phantom-like apparitions. The pillars and columns have no foundations. No proper names, portraits or mottoes appear anywhere on the banknotes. No landscape either, nor date, nor place. There are only cold, technical, desert-like images, generated by computers.

The European Monetary Institute prides itself on having given Europe an "appropriate representation." The results are virtual snapshots of a virtual Europe. General, all-purpose pictograms. Context-free messages signaling an economic zone without historical ambitions and claimed moral values.

Marketing and design experts have given birth to a system of virtual identity that nobody can relate to sentimentally, an identity as frigid as a logo created by Andy Warhol.

This is Euroland — a no-man's land, a land of nowhere. It is an opera without voices, an abstract piece of machinery, boring like an election day for the European Parliament. Is this floating creation without grounding in the memories of men and women really the "meta-nation," the great people in gestation that we were promised? The euro is Europe in the year zero.

At the end of the last century, Ernest Renan wrote that "a nation's soul is made up of two things: the sharing of a common legacy of memories of the past, and the present consensus to live together and to share the determination to continue to live the undivided heritage that was received by all."

Are we Europeans really without memories and without heritage? Even if we disregard political and military glory, which inevitably offend national pride, we are still left with Erasmus, Newton, Shakespeare, Garibaldi, Goethe, Voltaire, Cervantes and many others.

Are these figures not worthy enough to put on our currency?

Fifteen countries — soon to become 21 — signify 15 galleries of great men. Admittedly, the choice would not have been easy. Yet, how can Europe represent the future of Europeans if it robs them of their past without offering a new one, and without recognizing its own heritage?

The abstraction of Europe's historical heritage into mere real estate and into fragmented relics of anonymous constructions bears witness to a disquieting lack of ability to "personalize," to give to see and to imagine.

This is without precedent to the genesis of any federation called upon to last. If European originality emerged from its greatest dividers, one might fear that the search for the lowest common denominator, be it in the art of graphics or of politics, will soon lead this originality to its highest degree of blandness.

For those of us who only read the numbers in the corners of our banknotes, monetary signs always had more importance than we realized. As collective I.D. cards, they are somewhat like the nations' slips of the tongue, their "*mots d'esprit*," as Sigmund Freud would put it, through which they divulge their historical subconsciousness.

Nations are "imaginary communities" in which individuals are linked less by their ideas than through shared images, myths, legends and personalities. Just as genealogy is essential to any political legitimacy, memory is essential to form a common will.

Brussels' Europe is a fatherless child. Its signs of power are barren of anything imaginary or any motivating myth. The euro is a desert of men, the opposite of a collective personality.

There is not even any image that reminds us of the United States of America; even at its very European beginnings, although some wish to compare the United States of Europe to the United States of America.

Look at the good old "greenback." You will see Uncle Sam's most intimate secrets. The currency of the United States of America, like the world's other currencies, tells a story, a secular Western, a movie about the Founding Fathers, $1, George Washington; $2, Thomas Jefferson; $5, Abraham Lincoln; $10, Alexander Hamilton; $20, Andrew Jackson; $50, Ulysses Grant. The dollar bears witness to the fact that the 13 American colonies (which shared the same language, the same Protestant faith, the same history or the absence thereof, the same culture and the same enemy, the British Crown) united — and remained united — around faces, proper names and well-defined sites.

America was welded together into a sovereign unit through a war of liberation, then molded through a civil war. On the $100 note, you can see Benjamin Franklin on the front, and, on the back, Philadelphia's Independence Hall, a clearly defined "memory site," on the background of a well-identified landscape, and under the motto, "In God We Trust."

Thank God, Europe does not claim to be the land of a chosen people. But does this mean that it believes in nothing, and dreams only of exchanging merchandise?

Or take the $1 bill. Washington, the former commander-in-chief of the Continental Army, is in the middle with his powdered wig and ruffle. Take a close look at the seal. The eagle represents American sovereignty. The eagle's head represents the executive, its body the legislative, and its nine-feathered tail the judiciary. In its right claw, the eagle holds the olive branch. In its left, the arrows of war. The whole, under a divine "glory," represents the Holy Spirit. Then look at the back: God's eye towers over a pyramid with 13 steps (the original colonies). The state's secular powers, the military and bureaucracy are thus placed under divine guidance. "Annuit coeptis," the bill says; God helped our endeavors.

This green-and-white rectangle is indeed well suited for a messianic nation, certainly the last of this world.

The euro, on the other hand, resembles the accounting unit of a multinational corporation, or Monopoly money. Granted, it is useful for a trade system, but it does not provide a destiny.

That the euro may one day compete with the dollar is a hope that is widely shared in Europe. But a strong economy alone does not give power.

European wealth does not seem to measure up to American power. For now, Europe remains an extension of America's political and military goals.

To put it clearly: Europe is the vassal of an imperial sovereign whose sovereignty it does not question, neither in principle nor in fact. This Europe, integrated into the North Atlantic Treaty Organization, has so little pride that it has even given up its plans to form the famous "second pillar" of the Atlantic Alliance for fear it might upset its commanders in Washington.

In short, nothing is really more revealing of the insufficiencies of this "European machine" than this piece of paper that has no story to tell and shows no figure of which one could be proud; no founding event, no great destiny, no baptism by fire. No heroes of independence, and no independence.

One would have to be naive to imagine that a supermarket can give birth to a superpower without, one day, paying tribute to the tragedy of history. We seem to have forgotten the lesson the philosophers have imparted to us over the course of civilizations: "Nothing great can be achieved without passion."

Europe is still in the accounting phase. It has not yet developed an image of itself. It is not yet ready, like a great nation, to face dangers and stresses. It has not yet reached adulthood. Our adolescence is inscribed in our currency.

The writer, a writer and philosopher, was a senior aide to former President François Mitterrand. He contributed this comment to Global Viewpoints (Los Angeles Times Syndicate).

Sanctions Won't Curb Proliferation

By Joseph S. Nye Jr.

BOSTON — When India and Pakistan shocked the world this past May by testing nuclear weapons, the United States responded by imposing severe economic sanctions. Now Pakistan and India have offered to sign the Comprehensive Test Ban Treaty if the United States will lift its sanctions, although several key U.S. senators have opposed such a move. But there is little prospect that American economic punishment will roll back the South Asian situaòon and some danger it will turn Pakistan into a failed state with nuclear weapons. Outrage and sanctions are not an adequate U.S. policies.

American policy toward South Asia's bombs should have two objectives: It should limit damage in the global consensus against the spread of nuclear weapons; and, inside the region, it should reduce the risk that the bombs will ever be used.

The consensus against nuclear proliferatinn is not as fragile as some assert. In 1963, President John F. Kennedy stated that be expected to see up to 25 nuclear-weapon powers within a decade. Instead, 35 years later there are eight nuclear states: five recognized in the 1968 Nuclear Nonproliferation Treaty plus India, Pakistan and, by many published accounts, Israel. On the posiove side, South Africa gave up its nuclear capability with the end of apartheid, and Argentina and Brazil reversed their incipient nuclear arms race.

In 1995, 178 states agreed to an indefinite extension of the Nuclear Nonproliferation Treaty. The following year, 133 states signed the Comprehensive Test Ban Treaty. A few countries — North Korea, Iraq, Iran and Libya — are actual or suspected violators of their treaty obligations and have to be treated as special cases. For most states, however, the Nuclear Nonproliferation Treaty not only promises progress toward global nuclear disarmament in the long run, but also provides current reassurance that their regional neighbors are not developing nuclear weapons.

In other words, India and Pakistan are not typical cases. At the time they detonated their bombs, neither had signed the Nuclear Nonproliferation Treaty or the Comprehensive Test Ban Treaty. India already had developed a nuclear capacity in the 1970s and Pakistan in the 1980s.

It is important to show these two states that their open tests and declarations, driven in part by domestic poliòcs, have not been fruitful. Power in the 21st century will depend on economic growth and mastering the information revoluòon, not on the brute nuclear force of the 20th century. Nuclear weapons are not a power equalizer, and they cannot be used to blast one's way into an imagined great power club. India and Pakistan today have all the problems and limitations they had last April.

To reinforce this point, other states should make clear that they will not amend the Nuclear Nonproliferation Treaty to give India and Pakistan de jure nuclear status, even if the United States takes note of their de facto situation.

America should also state that it will not support Indin's claim to a permanent seat in the United Nations Security Council but will support the claims of Japan, thus breaking the link between status and nuclear weapons.

The United States should agree to lift sanctions if India or Pakistan adheres to the Comprehensive Test Ban Treaty, but that is not enough. Both countries should agree to restrictive nuclear export policies consistent with the Nuclear Suppliers Group guidelines. The United States should also encourage them to join the negotiations in Geneva on the cutoff in the production of fissile materials.

At the same time, the United States should try to limit dangers within the South Asian region. Some observers believe that stable nuclear deterrence will evolve there just as it did between the United States and the Soviet Union during the Cold War. Bnt the analogy is flawed. India and Pakistan share a common border. The two powers have clashed violently three times in a half-century. Conflicting territorial claims make Kashmir a flash point. Neither state has developed elaborate technologies to control nuclear weapons; nor have India and Pakistan engaged to learning through a prolonged arms-control dialogue.

To remedy these deficiencies, the United States should offer India and Pakistan advice on the command and control of nuclear weapons, including technical assistance on permissive action links that prevent nnauthorized use if they fall into terrorists hands.

The United States also can help to set up hot lines and military-to-military talks that serve as confidence-building measures. Washington should offer to share with both sides certain informaòon that the U.S. Space Command collects on missile launches. The United States should also encourage Pakistan and India not to deploy weapons to front-line commands and to negotiate arrangements in which warheads do not stand mated to missiles. Finally, America should offer to convene a five-power security dialogue of America, Russia, China, India and Pakistan to discuss ways to improve stability in the region.

Some will object that these measures are not sufficiently harsh. Outrage and sanctions probably played a useful role six months ago, but they are no longer sufficient to further America's twin objectives of reinforcing the global nonproliferation consensus while saving lives in South Asia.

The writer is dean of the Kennedy School of Government at Harvard University and a former assistant secretary of defense. He contributed this comment to The Washington Post.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1898: Spain Complies

PARIS — [The Herald says in an Editorial:] Spain has at last made up her mind to accept the title of the United States to Porto Rico, Guam and the Philippine archipelago, in which is included the Sulu islands, was confirmed at the meeting of the Hispano-American Peace Commission. America has assured Spain that she intends to inaugurate the policy of the "open door" in the Philippines and that Spain will enjoy the same commercial privileges as her own people.

1923: Girls' Manners

PARIS — [The Herald says in an Editorial:] One of the best things that any college can cultivate is the faculty of discrimination. Vassar girls think that they are using it sagely in reference to bare knees and cigarettes. The authorities of the college who have forbidden both seem to have ignored another extreme in feminine manners — the baring of neck, shoulders and back in the worldly society. To inculcate a hostility to certain abuses which students will encounter outside of college is quite as important as to prevent certain excesses of conduct within its walls.

1948: Jews Emigrate

PRAGUE — Jews are being permitted to emigrate freely to Israel from all countries in the Soviet sphere. Reports indicated that at least 5,000 from each of the six eastern European countries would leave for Palestine by the end of 1948 and the final total might run to over 50,000. Non-Jewish emigration has been all but choked off in the "people's democracies," with would-be travelers subjected to weeks of red tape and even bona fide Communists frequently denied passports.

Armed Israeli soldiers escorting Jewish settlers Friday in Hebron. Palestinians stoned settlers and soldiers after settlers blocked Palestinian motorists from using a road and then marched into the Palestinian sector.

Israel Grapples With Lebanon Role

Killings Prompt Netanyahu to Issue Warning and End Trip Abroad

By Deborah Sontag
New York Times Service

JERUSALEM — Prime Minister Benjamin Netanyahu cut short a trip abroad on Friday to return home to reconsider the Israeli Army's longstanding occupation of southern Lebanon.

Seven Israeli soldiers have been killed there in the last week and a half.

While there is a cyclical nature to the Israeli debate on Lebanon policy, the spate of recent casualties has again stepped up pressure on the government to contemplate a unilateral withdrawal of its troops from southern Lebanon after 20 years there.

After fierce fighting Thursday between Israeli soldiers and Iranian-backed Hezbollah guerrillas, two young soldiers were killed that night when a roadside bomb hit their armored vehicle.

Mr. Netanyahu, who was in London, canceled a weekend trip to Spain, issuing fighting words.

"We are now under murderous attack by Hezbollah, who are attempting to shock us into leaving Lebanon without fulfilling our purpose there," he said. "Our soldiers are heroically standing up to the attack, and I say that we will not put our tail between our legs and leave."

Nonetheless, Mr. Netanyahu added that he was willing to consider a proposal from Foreign Minister Ariel Sharon that some have found surprising. The hawkish Mr. Sharon, who as defense minister led the ill-fated Lebanon war, now sides with Israeli doves. He favors a withdrawal of troops, although he suggests a gradual one, accompanied by a threat of harsh retaliation for any incursions into northern Israel.

In Beersheba, thousands poured into the military cemetery for the funeral of Eyal Coben, 20, hours after he was killed Thursday night. Hundreds of soldiers came directly from the Lebanese front, backpacks and machine guns slung over their shoulder. Mourners built a hill of flower bouquets, still covered in cellophane, atop the fresh grave.

The soldier's brother-in-law, himself a former fighter in Lebanon, delivered the eulogy.

"The river of Lebanon is soaked with blood," he said. "The government has to decide whether it crosses to the river bank of peace or the river bank of war."

With each year that the low-level war in southern Lebanon has continued, the Israeli public has grown less tolerant of the occupation. A poll in the Ma'ariv newspaper Friday showed 40 percent support for a unilateral withdrawal from Lebanon, up from 22 percent in March, and 16 percent in February 1997. The poll was taken on Wednesday, after three of the seven had been killed.

The seven deaths bring to 22 the number of Israeli soldiers killed in Lebanon this year. Last year, 39 were killed, an uptick after several years averaging 25 deaths. Israeli Army officials were hoping to keep the toll low this year to relieve pressure that has built for withdrawal.

"Politicians have told us in meetings that 20 soldiers a year is not a high price to pay," said Shrilly Kantor, 28, who protested Friday in front of the Defense Ministry in Tel Aviv.

About 2,200 Israeli troops are stationed in a self-declared security zone in southern Lebanon to fight a guerrilla war waged by Hezbollah. Israeli opponents argue that at this point it is the Israeli Defense Force's presence itself that sustains the bloodshed.

The conflict began in the 1970s when the Palestine Liberation Organization, now based in Gaza, was exiled in southern Lebanon, staging incursions on Israel with assistance from Hezbollah and others. In 1982, Israeli troops, under Mr. Sharon, marched over the border almost all the way to Beirut and shelled Palestinian refugee camps and military installations. They drew international condemnation, but chased the Palestinians into Tunisia. The Israelis eventually withdrew into a southern band of Lebanon, focused on preventing Hezbollah from shelling settlements in northern Israel.

Ever since, they have maintained a presence there, even after the settlers in northern Israel, tired of the conflict, began to favor their withdrawal. The military opposes any move.

"Anyone who is looking for easy solutions should remember that there are no magical ones," the Israeli Army chief of staff, Shaul Mofaz, said Friday. "So long as we are in the security zone and fighting against the Hezbollah, there will be a price. But any other alternative seems to us to be worse, more dangerous and likely to increase the number of soldiers and civilians in the north who get hurt."

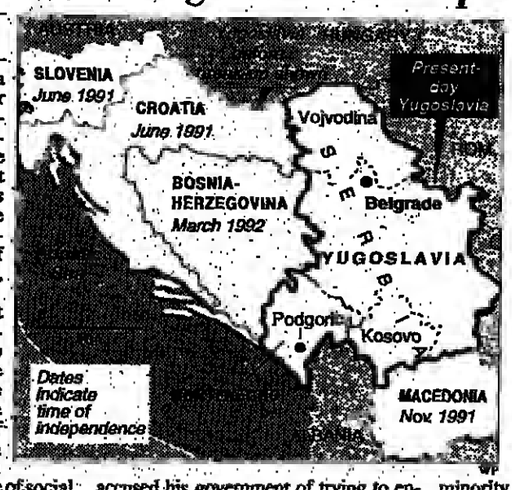
It is unclear whether Mr. Netanyahu, in meetings that are to continue Sunday, will push hard beyond a reconsideration of military tactics to rethink his Lebanon policy. In the past, he has said that a withdrawal from Lebanon must be based on a some kind of an agreement with Syria, through whose borders the weapons flow to Hezbollah.

Syria is opposed to a unilateral Israeli withdrawal because it wants to use its control of Lebanon — and of Hezbollah's battle — to force Israel into negotiations over the return of the Golan Heights.

Montenegro Cuts the Ties That Bind

Step by Step, It Rebuffs Belgrade for an Independent Course

By R. Jeffrey Smith
Washington Post Service



PODGORICA, Yugoslavia — A bit like jabbing a bear with a small stick, political reformers in Montenegro continue to find ways to irritate the leaders of Serbia, in recent weeks by printing newspapers and magazines banned by the Serbian authorities and smuggling them under cover of darkness to Belgrade by bus, train and plane.

The smuggling is the latest episode in a growing confrontation between Montenegro and Serbia, its larger and more powerful neighbor to the north. After decades of close relations, the governments of the two remaining republics in the federation of Yugoslavia are sharply at odds over a range of social, economic and political policies, and, according to some senior Montenegrin officials, are headed for an eventual split.

Already, Montenegro has halted its transfer of tax revenue to the federal government, which it claims has not been legally constituted since May. During the conflict this summer in Kosovo, a province in southern Serbia, senior Montenegrin officials publicly discouraged teenagers from reporting for the Yugoslav military draft. In recent weeks, the government announced plans to open its own "liaison" offices in five foreign capitals, including Washington, and is considering establishing a separate Montenegrin currency.

The Montenegrin president, Milo Djukanovic, has become one of the fiercest critics of the Yugoslav president, Slobodan Milosevic, having denounced his refusal to grant autonomy to Kosovo's ethnic Albanian majority and accused him of stifling freedom and economic reform. Some of his top ministers predict that Montenegro eventually will be forced to declare independence, a move that almost certainly would provoke a similar declaration by the Kosovo Albanians and threaten another Balkan war.

"The divergence is something that you can feel, and it has a direct influence on the stability and survival of the country," said Mr. Djukanovic, 36, who took office in January and has won U.S. and West European support for his democratic reforms. Although he said that Montenegro was not in a hurry to "get out of Yugoslavia," he noted that what Mr. Milosevic "is doing" would lead to Montenegro's "disappearance."

With a declining economy largely based on the smuggling of foreign goods and a crushing financial burden from tens of thousands of refugees from neighboring Kosovo, Montenegrin leaders are desperate to improve living conditions by escaping from the international economic sanctions strangling Yugoslavia. Their strategy has been to cut the cords that tie them to Serbia in areas where they conclude that the federal government has failed to function or has "endangered us," as Mr. Djukanovic says.

The struggle is not between two equals. Montenegro has an estimated population of 650,000, one-third that of the city of Belgrade, capital of both Serbia and Yugoslavia, while its territory is one-twentieth the size of Serbia's. But the government in Podgorica already has taken over the tasks of licensing mass media, levying customs duties and approving imports and exports from its territory. A new criminal code that rescinds many federal penalties is expected to be approved by the republic's Parliament within months.

In addition, Montenegro has diverted $1 million in federal taxes to fund its pensions because Belgrade has not made payments for the past four months. It has begun to negotiate its own trade deals with the West, having won permission to tap international loan funds under a partial exemption from the sanctions that was brokered with U.S. help. It has licensed a radio station banned in Belgrade to begin transmitting into Serbia from Lovcin, a town on the republic's border.

"Day by day, there are fewer and fewer links with the federal administration," said Branko Perovic, who heads a 30-person Foreign Ministry in Montenegro. "Only monetary and military links remain. There is nothing else."

Mr. Milosevic and his handpicked prime minister, Momir Bulatovic, a Montenegrin opposition leader, have branded Mr. Djukanovic a traitor and accused his government of trying to engineer the breakup of Yugoslavia. When NATO air strikes against Serbia over its Kosovo crackdown loomed in October, they threatened to impose a national state of emergency that would have seriously undermined Mr. Djukanovic's authority.

Last week, in a bid to reassert its jurisdiction over the media, Serbia levied a $300,000 fine against the publisher of Monitor, a Montenegrin magazine that illustrated an article about Serbia with an advertisement by a student group calling for national resistance. Montenegrin officials have said the fine will not be enforced.

Mindful of the historical affection that many Montenegrins retain for the Yugoslav federation, Mr. Djukanovic and his ministers have cast themselves as supporters of a reformed Yugoslavia, not of its further breakup. Like the Serbs, Montenegrins are mostly Slavic and share the same Eastern Orthodox faith, but the republic also includes a minority population of Muslims and Albanians.

A referendum held in the early 1990s, when other Yugoslav republics voted to secede from the federation, showed overwhelming support for continued union. But a poll taken several weeks ago found the population deeply divided, with about 30 percent favoring each side and the remainder undecided or uninterested. Mr. Djukanovic said independence must be supported by two-thirds of the populace to prevent such a move from causing social unrest.

Milo Djukanovic and his wife, Lidija, voting in the 1997 presidential elections that put him in office. He is increasingly at odds with Belgrade.

Some Montenegrins have said Mr. Djukanovic's government still is not democratic enough.

Milka Tadic, editor of Monitor, said that "a couple of years ago, the people who were against the regime" in Belgrade "were really on the margins of society," not at the center of power. But while the government's leadership has changed, she added, "the nomenklatura has not." Miss Tadic and others are critical of the government's refusal to divest control of the most widely read newspaper and its radio and television stations, and its decision to sell off, without a public bidding process, an aluminum plant that provides half of the country's legitimate income.

President Kiro Gligorov of Macedonia, right, greeting the NATO secretary-general, Javier Solana Madariaga, in Skopje.

NATO: *Europeans Oppose Broader Alliance Role*

Continued from Page 1

need a modicum of flexibility," a NATO diplomat said. "A Security Council mandate is highly desirable, but we should not tie our hands in advance."

During the Kosovo crisis, despite Russian opposition and the absence of a specific Security Council mandate, NATO authorized possible military action against Serbia. American officials, including Richard Holbrooke, said this decision amounted to an important precedent, but European officials generally argued that none had been set.

Joschka Fischer, Germany's Green foreign minister, is among those who have argued passionately that the rule of law would be threatened and competing regional security blocs encouraged if NATO arrogates to itself even the limited right to act without explicit Security Council mandates.

"We are looking at language that would say something like NATO will act under the authority of the United Nations, with an appropriate legal basis and, as far as is possible, a UN Security Council resolution," an official said. "But this is a difficult issue that is certain to involve painful discussions."

Other difficulties center on a program again put forth by the United States and known as NATO's "Defense Capability Initiative."

This program is designed to take full, if somewhat belated, account of the Cold War's end by pushing through a radical transformation described this month by Secretary of Defense William Cohen as one from "fixed, positional defense to a flexible, mobile defense."

In essence, the United States wants to be sure that NATO can now project power, if necessary far afield, engage it effectively, sustain it over long periods and maintain it even against chemical, biological or electronic attack.

"We need advanced, mobile communications, helicopters, lift, and sustainability," an official said. "But a lot of armies in Europe, including the German, are still configured for a European land war with tanks so heavy you can't move them."

While European governments broadly agree that the need for these changes has been demonstrated by missions like the one in Bosnia, they are concerned by the high cost. Their budgets are strictly curtailed by European Union agreements. They also fear that the program may be a thinly veiled invitation to buy weapons and equipment in America.

Encouraged by the British government, the EU is now looking at ways to make its sprawling defense industry more cost-effective. Annual European defense spending is two-thirds that of the United States, but the real yield is only one-third of the American level because of duplications.

Reform is likely to be slow, however, and any American quest for budgetary commitments, like the 3 percent annual increase in defense spending pledged by European governments during the Carter years, would certainly fall on deaf ears.

While the first post-Cold War flush of Europe's ambitions to develop its own defense arm has eroded, and a broad accord exists that "separable but not separate" European units should develop within NATO, some tensions persist over what should be said about Europe's defense identity in the new alliance doctrine.

A NATO "extraction force" manned entirely by Europeans and under a French commander, but dependent on American intelligence and logistics, is about to deploy in Macedonia to help protect Western monitors in Kosovo. This European deployment amounts to a first for NATO.

NATO diplomats said the French government appeared to want to give priority for statements on this mission and Europe's defense future to a European Union summit conference in Cologne that follows the Washington meeting. But the United States was adamant that the issued be addressed primarily in Washington.

One issue on which there appears to be broad agreement is that there should be a period of consolidation after the formal admission to NATO of Poland, Hungary and the Czech Republic at the summit talks. It is highly unlikely that further, specific invitations to join will be issued in April, alliance officials said.

Such a decision, however couched, is almost certain to anger several candidates for membership, including Romania and Bulgaria.

On the question of NATO's nuclear forces, it also appears clear that consolidation rather than innovative change will prevail. While the broad aim of balanced nuclear disarmament exists, a majority of allies regard the nuclear threat, including its potential first use, as central to security. Already, Germany has had to swallow its misgivings.

ASIA: *China, Gently, Flexes Its Strategic Muscles*

Continued from Page 1

Monday that even though the Cold War was over, uncertainty in the region caused by the financial crisis and North Korea's recent missile test made it essential for Washington to strengthen its alliances with Japan, South Korea, Australia, Thailand and the Philippines.

"Foremost, the United States will continue to strengthen its strategic partnerships with allies, which serve as important pillars from which to address regional political and military challenges," the report said.

Releasing copies of the report in Washington, Defense Secretary William Cohen noted that Asia was not as confident economically or militarily as it was in 1995, when the Pentagon released its previous East Asia strategy report.

"The economic difficulties and concerns about the developments in North Korea have created uncertainty throughout the region, and in view of these changes it's important to stress that the continuity of America's commitment remains unchanged," he said.

In his speech Friday on China's defense policy at a meeting organized by the Institute of Defense and Strategic Studies in Singapore, General Chi, who is a cabinet member and vice chairman of the powerful Central Military Commission, indicated that the Chinese military saw the U.S. alliance system as an attempt to weaken and contain China.

"Security is mutual," he said, "and security dialogues and cooperation should be aimed at promoting trust instead of creating confrontations, still less at directing the spearhead against a third country or infringing upon the security interest of any other country."

General Chi said that the security situation in the Asia-Pacific region was relatively stable. But he cautioned that "there still exist some factors of instability both globally and regionally. Hegemonism and power politics remain the main source of threats to world peace and stability. The Cold War mentality and its influence still have a certain currency."

The U.S. strategy report emphasized that Washington was committed to "comprehensive engagement" with China, and that the two countries shared many common global and regional interests.

But it said that China's rise as a major power presented an array of potential challenges.

"Many of China's neighbors are closely monitoring China's growing defense expenditures and modernization of the People's Liberation Army, including development and acquisition of advanced fighter aircraft; and programs to develop mobile ballistic missile systems, land-attack and anti-ship cruise missiles, advanced surface-to-air missiles, and a range of power projection platforms," the report said.

But General Chi said Beijing had "strictly controlled" its defense budget for many years so that the government could give priority to economic development.

As a result, he said the Chinese military budget for 1998 amounted to just under $11 billion, with only one-third of it being spent on weapons and equipment. By contrast, he added, the U.S. defense budget in 1998 was $255 billion, while Japan set aside $42 billion.

Western diplomats on Friday sought to play down the notion of a looming clash of strategic interests between China and the United States in Asia, saying that some Chinese officials privately acknowledged that the country's economic modernization had benefited from the stable regional environment that U.S. alliances and military cooperation agreements in the region had promoted.

The diplomats noted, for example, that General Chi was on a four-day official visit to Singapore, which allows U.S. warships and aircraft to make regular use of its bases for refueling, replenishment and exercises.

The U.S. Navy also makes from 60 to 80 port calls annually to Hong Kong, and this program has continued uninterrupted since China resumed sovereignty over the former British colony in July 1997.

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ART

The Muse Of Rome

A Belated Tribute To 'Miss Angel'

By David Galloway

DUSSELDORF — No fewer than 50 priests and 50 Capuchin monks celebrated her funeral on Nov. 7, 1807, in a "choreograph," devised by the sculptor Antonio Canova. Mourners overflowed Rome's Church of Sant' Andrea delle Fratte, bidding farewell to the Muse of Rome with an ardor reserved in our own time for pop stars and princesses.

Not nnly was Angelika Kauffmann the most famous woman painter of her time, but poets and philosophers, including Goethe, hailed her as the most cultivated woman in all of Europe.

For nearly two centuries, Kauffmann's name — frequently misspelled — has appeared more often in relation to liberated, independent women of the Enlightenment than in the context of serious, innovative artists. Though her works, which include portraits as well as historical and mythological scenarios, hang in major museums in Europe and the United States, they have oever been the suhject of a full-scale retrospective. That oversight is now being sumptuously corrected hy the Dusseldorf Kunstmuseum with a presentatioo of 120 paintings, 70 drawings and 30 engravings. After it closes in Dusseldorf on Jan. 24, the show moves oo to the Haus der Kunst in Munich and to the Bundner Kuntmuseum in Chur, Switzerland.

It was in Chur that Angelika Kauffmann was born in 1741 as the only child of a second-rate artist father and a mother with musical ambitions for her daughter. Her skills as a harpsichordist, singer and painter manifested themselves at such an early age that she was presented as a wunderkind, much like Mozart, at all the major European courts. At the age of 12, she executed a mannered but technically refined self-portrait and, presumably on the strength of this precocious work, received her first portrait commission from the Archbishop of Como.

Kauffmann perfected her skills by copying masterworks in Italian museums, hut even hefore her 16th birthday was in demand as a portraitist among clergy and nobility. Nonetheless, she was still tempted hy a singing career and might have pursued it had her mother not died suddenly in Milan in 1757. Just how traumatic the career choice proved is revealed by a self-portrait created nearly half a century later, in which a young, ethereally beautiful Angelika Kauffmann stands bewildered between the muses of painting and music.

Kauffmann's reputation spread rapidly throughout Europe, since travelers on the grand tour frequently gave her commissions, and she soon added historical tableaus to her repertoire. The Russian czar, the Austrian emperor and the king of Poland all placed orders as did England's royal family. Indeed, so close were the ties the young painter had made with English travelers that she decided to move her studio to London in 1766. There she was befriended hy Sir Joshua Reynolds, the most celebrated English portraitist of the day.

Angelika Kauffmann self-portrait of 1792, at the peak of her fame.

"Miss Angel," as she was popularly known, was soon the toast of London, which one cootemporary observer described as no less than "angelicamad." Indeed, even today her works are sometimes attributed to "Angelica Kaufman, English." Three years after her arrival in London, the visitor became a founding member of the Royal Academy. In group studies of the academicians, however, she and the only other female member, Mary Moser, appear only as portraits hung on the wall of the Academy's airy studio, for the women could not appear in the group gathered around a nude male model.

The exclusion from life drawing is often cited as a reason for the presumably clumsy treatment of anatomy in the works of women artists of the past. Yet Kauffmann oot only pursued the usual substitutes of classical statuary and plaster casts hnt drew nude male models in her own atelier, under the watchful eyes of her father.

At the age of 26, Miss Angel secretly married one "Count Frederick de Horn," who was sooo revealed as an impostor and fortune hunter. Less than three months later, the marriage was annulled. The artist would eventually marry a Venetian landscape painter of modest skills who took over the organizatioo of her studio and business affairs. Later they settled in Rome, which was Kauffmann's true spiritual home, and where her salon was unrivaled.

THE popularity of her work, reproduced in engravings and through the technique known as "mechanical painting," was immense, as a separate exhibition at Dusseldorf's Hetjens Museum documents. How, the visitor wonders, could such an omnipresent figure slide so quickly into obscurity? First of all, her work was scattered through palaces, couotry houses and churches throughout Europe. Secondly, changing tastes made her historical and allegorical compositions seem affectedly "academic." Thanks to the Dusseldorf retrospective, which has been assembled with a rare mixture of passiooate commitment and scholarly precision, one can oow appraise the painter's true accomplishments.

She emerges as a brilliant draftswoman, a painstaking technician and a highly original colorist. Brilliant azure hlues, bright ochers and velvety reds unfold a voluptuous painterly ambience that few of Miss Angel's male colleagues could begin to approach.

David Galloway is an art critic and free-lance curator based in Wuppertal, Germany.

Homage to Venice, in Glass

By Roderick Conway Morris
International Herald Tribune

VENICE — To reveal the secrets of Venetian glassmaking was once a capital crime, and a master who might be tempted to leave the island of Murano to sell his know-how abroad knew that the Republic was prepared to send assassins in pursuit of him.

But more than anything else it was probably the mixture of craft pride, sophisticated workshop organization and the exceptional status and privileges granted to Murano masters that guaranteed Venice's centuries-long monopoly of the production of the finest glass.

Today, Venetian techniques are nsed all over the world, and ever more so with the rapid rise of glass as a self-consciously artistic rather than a primarily decorative medium — as is expansively demonstrated by the Aperto Vetro (Open Glass) International New Glass exhibitions of Venice's second art glass biennial (which continues until Jan. 16).

The theme this year is "Homage to Venice" and the oearly 130 artists on display at the Doges' Palace, the Fortuny Museum, the State Institute of Art, the Centro Studio Vetro on Murano and private galleries around town, highlight a global scene in which Venetian glassmaking methods have been to a great extent mastered by practitioners of many nationalities and are being applied to myriad forms of conception and design.

This would not have been possible had not generous-spirited glass masters like Lino Tagliapetra — who are regarded as "traitors" by a minority of diehards on Murano — been prepared to travel outside Venice to teach the mysteries of the craft. And equally, these precious lessons would have been to little avail had there not been a shift among aspiring young foreign glass artists away from contemporary notions that self-expression was everything and manual skills irrelevant.

American glass artists were among the first to profit from direct contact with the Venetians, but the experience has also produced dramatic results elsewhere. The Glass Workshop started by the German-born Klans Moje at the Canberra School of Art in Australia as recently as 1982 had been a resounding success, for which the State Institnte of Art (in the cloisters by the Carmini Church) this year provides a showcase.

But the constant juxtaposition of Venetian-made and foreign pieces in the exhibitions is proof that the benefits of Murano's emergence from isolation have been mutual, and in some quarters glassmaking in Venice, too, has been undergoing a quiet revolution.

When the Japanese Yoichi Ohira came to the island 25 years ago the doors of many workshops were barred to him because "he would steal their ideas." Since then his own original and beautiful pieces combining a refined Japanese sensibility with rigorously Venetian glassblowing practices have become widely (sometimes shamelessly) imitated, something Ohira views philosophically given that he was one of the first to stimulate more open-minded masters to look beyond conventional designs.

Claudio Tiozzo's fused and wheel-carved "paper lanterns."

Meanwhile, a group of five young Murano artists, who have been making some of the most interesting local work of late (one of them, Fabio Fornasier, won the prize for best young artist two years ago), have launched the Centro Studio Vetro and a bilingual magazine Vetro with the specific aim "to foster and promote, both in Italy and abroad, an interchange between all those who are involved in the creation, the technology and the appreciation of glass."

Of the group's exhibits in the current shows, particularly intriguing and witty are Clandio Tiozzo's fused and wheel-carved "Hidden Surfaces," which look as light and fragile as paper lanterns, but are in reality solid and extremely heavy, and Cesare Toffolo's improbable gold "Balloons" hanging in mid-air seemingly tethered to the ground by chains.

Not that the younger generations have an exclusive claim on striking individuality. Mirrors were for long among Murano's most sought-after products and Riccardo Licata, now in his sixties, is showing that a new spin can still be put on them with his colored, inlaid, enameled and engraved designs. Like other Murano glass masters, Vittorio Ferro had to spend a considerable part of his career on the repetitious (albeit demanding) production of certain standard items. He is now retired and able to follow his own fantasies. The result has been a series of charming one-off "murrine" (mosaic) vases and vessels that marry a kind of naive freshness, daring use of color and technical aplomb.

The hot working of soda glass (as opposed to the northern traditions of lead glass, which lends itself when cold to embellishment by the engraver's hand) has always been the essence of Venetian techniques. The surge of interest in glass art has inspired new experimentation in the manipulation of the material at high temperatures (and the mixing of radically different techniques as, for example, in the baroque extravaganzas of Lucio Bubacco).

A prominent figure in this field, who came oo the scene by an idiosyncratic route, is the Italian Narcissus Quagliata. His enormous "Gateway to Night" is displayed on the monumental staircase of the Doges' Palace. More than 30 feet long and 12 feet high (10 meters by 4 meters), this ethereal, light-suffused abstract vision of the heavens consists of 108 panels of fused glass whose final firing required four months of round-the-clock furnace work.

HIS next large project is for a new glass cupola to be placed next year on the rotunda of Santa Maria degli Angeli in Rome, the central hall of the Baths of Diocletian remodeled as a church by Michelangelo in the 16th century.

This could be a symbolic landmark for an art form that is now attracting a great deal of genuine creative talent that neither despises the hard work and concentration involved in learning difficult techniques nor is inclined unquestioningly to follow facile trends in post-modern fine art thinking.

BOOKS

WOULD IT KILL YOU TO SMILE?

By Philip Lawson. 207 pages. $22. Longstreet.

Reviewed by Carolyn Banks

WOULD It Kill You to Smile?" isn't billed as a whodunit, but that it is. It features Will Keats, a therapist who works with troubled school children. We suspect Will is to become a series character, and well he should.

At age 34, Will harbors what seems like an adolescent's grudge against his dad, a ventriloquist who has just died as the book opens. His feelings are intense, and when they break through, we're apt to cringe.

So what keeps us from writing him off? The plot shows Will working through his anger into something akin to acceptance. It turns out that he owes far more to his father than he ever supposed. But there's more to Will than that. While he suspects that some peg him as "a guilt-ridden liberal," we see him instead as someone genuinely concerned with the boys and girls he tries to help.

Meanwhile, everywhere around us are the wacky and macabre elements that his father's showbiz ties provide. The night lights that grace the Keats household are tiny images of Dapper O'Dell, the dummy with which Dad performed; Will's mother, LaRue, grieves by taking Dapper O'Dell to her bed.

But the deceased's will stipulates that he is to be buried with the dummy. The two are laid out for viewing and Will is into his fifth glass of chardonnay when Dad's fellow ventriloquists parade by for a final look, hoisting their own dummies up for an unobstructed chance to wave bye.

Everyone, we learn, covets Dapper O'Dell. So is it any surprise when Will discovers that the dummy isn't in the grave with Dad?

The six-day search for O'Dell — even in a sober moment Will thinks of the dummy as his brother — makes up the rest of the book. And it is so devilishly entertaining that only afterward do you realize that you haven't been reading a mystery about murder at all. The crime is the dummy's theft, and the book is about the unmasking of Dad's surprising strengths and weaknesses.

Carolyn Banks, author of many suspense novels, wrote this for The Washington Post.

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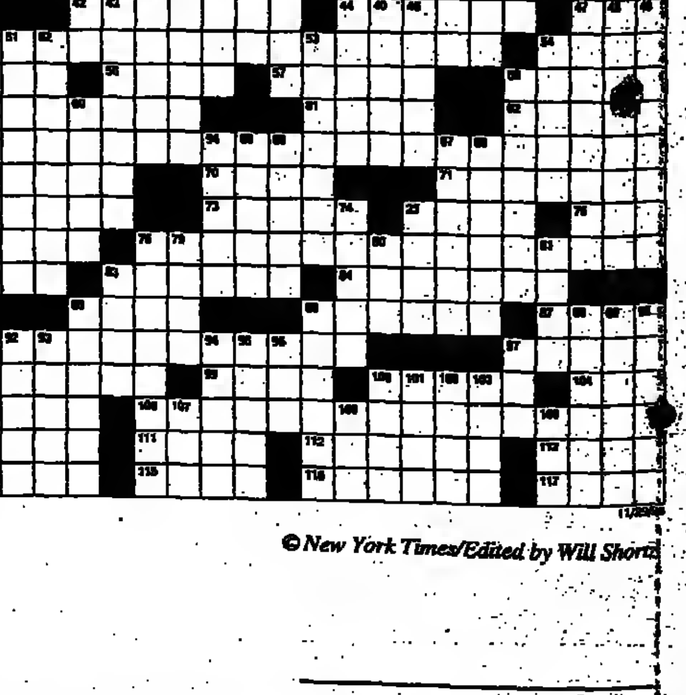
MONEY CHANGING By Matt Gaffney

ACROSS

1 Classic soft drink
5 Exaggerate
11 L.I.R.R. stops
15 Illustrator Silverstein
19 Wharton grad, maybe
20 "... upon receipt ___"
21 First name in mysteries
22 Mata ___
23 Part of the Musketeers' cry
26 Neighbor of Britannia
27 Prefix with sphere
28 *1956 Charlton Heston role*
29 Expressed
30 Rip off
32 Buffalo
34 Kind of bobsled
36 "See ya!"
37 Troubled capital
41 "'Neath the ___" (Wellesley school song)
42 Refined
44 Sandwich filler
47 Third party label: Abbr.
50 Big blaze
54 1998 Wimbledon winner Novotna
55 Flap, so to speak
56 Stir up
57 Capital built around Kyongbok Palace
58 Less covered
59 Positive
61 Four-time Super Bowl-winning coach
62 1973 Rolling Stones #1 hit
63 Classic whodunit
69 More than brighten
70 Hebrew letters
71 Annoys
72 Places for plants
73 Acidic prefix
75 "Beat it!"
76 "Didn't I tell you?"
77 Lighthouse locale
78 Game requiring no equipment
82 What a mess
83 KFC order
84 Ultimate challenge
85 Judy Garland's real surname
86 Like some cows
87 Suffix with techno-
91 Partner's part, maybe
97 "On the Beach" novelist
98 Starts over
99 Hercules fell in love with her
100 London's ___ Road Studios
104 Make
105 Leaning against
106 It began in 1337
110 Twice tres
111 Farm complaint
112 Second of two
113 ___ point (makes sense)
114 Crosses, e.g.
115 Languishes
116 Deprecatory reactions
117 Saw

DOWN

1 Most fresh
2 Betting option
3 Baseball announcer's phrase
4 I, abroad
5 Cry of horror
6 Side dishes: Abbr.
7 1910's-30's Harper's Bazaar designer
8 Old-time cars
9 Family head
10 Compensate for
11 Part of a letter
12 Traffic
13 Washday brand
14 Identical
15 Polishes
16 Part of some palaces
17 "Steppenwolf" wife
18 Shade of white
24 "The Bottle ___" (Stevenson tale)
25 Klutz
31 Norse god of discord
33 Like some Fr. nouns
34 Back stabber
35 Guffaw
37 Wisconsin city or its college
38 Climatology subject
39 Type spec.
40 Judaism, e.g.: Abbr.
43 "Bad Boys" actor, 1983
44 1930 tariff act co-sponsor
45 Not playing with ___ deck
46 City ESE of Calais
47 Gulfweed
48 Long odds
49 Expressions of love
50 One of the Fates
51 Don Quixote, e.g.
52 As a rule
53 Signs a lease with
54 Girl with a gun, in an Aerosmith song
58 Some people are stuck with them
60 Lord, say
64 Old town on the Hudson River
65 "Two Treatises on Government" writer
66 Cato's clarification
67 Arrival phrase
68 Prepared to hang
74 ___ a time
75 One righting a wrong, perhaps
78 Tries to get by leaping
79 Meridian
80 Shopper's favorite
81 Longing
83 Joke target
85 Rock variety
86 Fishhook attachments
88 Fashion show locale
89 Lounging
90 Foursome
91 Get
92 Richards of tennis fame
93 TV/film actor Mackenzie ___
94 Smiling
95 Dies, with "out"
96 Hunter's quarry
97 Arab League member: Abbr.
100 Starting stake
101 Data amount
102 Tuborg, e.g.
103 Canal sites
107 Latin metropolis
108 Golfer Woosnam
109 That vessel



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Solution to Puzzle of Nov. 21-22

هكذا من الأصل

ART

Bonvin, the Odd Man Out

Exhibition Rediscovers a 19th-Century Master

By Souren Melikian
International Herald Tribune

PARIS — It never helps to be the odd one out in art history. This may be why it took Francois Bonvin 111 years to receive a posthumous homage in his hometown, Paris, in the form of a retrospective. Rediscovery might be a better word. Of the 100 paintings and drawings on view at the Galerie Beres, two thirds were hitherto unrecorded.

As visitors gaze at these studies in human solitude or at the still lifes painted in minimalist manner, which never seem to relate to anything else in the 19th century, many will wonder what secret allowed this painter they knew little or nothing about to operate in such total independence.

The Balzacian story of his childhood told in the catalogue, which adds a considerable amount to the information gathered in Gabriel Weisberg's groundbreaking monograph of 1979, partly answers the question.

His father came from the poorest layer of French pre-Revolutionary society, the landless farm laborers. Having fought for 11 years as a private in Napoleon's campaigns, he came out a nervous wreck and in 1817 married a young seamstress, frail and unstable. She died of tuberculosis four years after the birth of Francois, who would be forever haunted by the glorified memory of a fairylike mother.

Working long hours, the father at first left his son in the care of an old woman who did not feed him properly. For his child's sake as much as his own, Bonvin married another seamstress. For Francois, things went from bad to worse. While he got on well with those of his nine half-brothers and sisters who lived beyond infancy, he was loathed by his stepmother who undernourished and ill-treated him. In one incident, she threw a kitchen knife at him, landing him in a hospital.

With no money at home, Francois was able to attend school only intermittently and struggled to catch snatches of learning wherever possible, if only from neighbors. The boy was 11 when he had his first fluke of luck. A clerk in a town hall where his father had a job saw one of the drawings Francois did to amuse his young half-brothers when he looked after them and promised to pay for the expense of attending a drawing school. For two blissful years young Francois received his first professional training.

It came to an abrupt end when the father, unable to make ends meet, apprenticed him to a printer. For several years, the boy worked as a typesetter and tried to keep up drawing after work.

Luck smiled a second time. Francois, by now a young man, landed a job at the Paris police headquarters, had an accident that sent him to the hospital yet again, and there a famous surgeon doing his rounds noticed the sketches he was doing when able to sit up in bed.

The surgeon recommended Bonvin to one of his bosses. His workload eased up a bit, leaving him more time to draw. Then, a senior policeman interested in the arts introduced him to a celebrity, the painter Francois-Marie Granet, who was curator of paintings at the Royal Museum, i.e. the Louvre. Granet gave him precious advice. Bonvin knew he would become an artist for good.

Another crucial encounter, with Courbet, the champion of naturalism, deterred him from any temptatioo he might have felt to go along with the Romantic school and its melodramatic excesses typified by Delacroix, or neo-classicism bogged down in stereotypes.

The earliest phase of Boovin's artistic development eludes us. How he came to paint in 1846 two small landscapes, of which one is more advanced than anything Impressionism would produce later, is intriguing — and no less so for the fact that this, apparently, remained a parenthesis in his oeuvre. He rarely returned to landscape painting and when he did, it was in a very different manner.

Bonvin turned his attention to his fellow humans, young children, often solitary and struggling to keep their composure while in distress, and working-class women in their daily pursuits — the world of his childhood.

Among the masterpieces previously unknown, a sketch in oils dated 1847 shows a little girl seated, steadying a bowl of soup on her apron. She is the image of cold poverty, retreating into a corner. A touch of the Le Nain brothers' influence may be detected, and yet this is different. There is oo background, oo context. It is as much a figure from a parable as reality observed.

A year later, Bonvin chose another manner when portraying a young boy in a Louis Philippe armchair. The neatly dressed sitter belongs to the establishment, but his expressioo is ooe of repressed distress. His intense blue eyes stare at the viewer and his lips are pressed tightly. One hand, crossed over the other, hangs limply and looks shriveled. Infirmity is suggested rather than depicted. In its miniature size, this is one of the great Freoch portraits of the mid-19th century.

Wielding his peo ladeo with ink on Aug. 30, 1849, Bonvin, with astonishing versatility, resorted to yet another manner — incisive and quietly tragic. The head of a young woman in profile, bent forward, with a shadow over her eyes, is set against a circular crisscross, like some halo of suffering. The somber mood is reminiscent of Rembrandt.

AT intervals, the painter had his lighter moments. He must have taken great pleasure in sketching a toddler ensconced in his baby chair, his cheeks puffed out in an effort at coocentration. The child awkwardly rattles his knife over an apple too big for his fingers in a futile attempt at cutting it.

Schoolboys riveted Bonvin, as if the memory of those years when he tried to pick up crumbs of learning came back to haunt him.

Around 1860, he painted two young boys absorbed in the perusal of an enormous 17th-century book. One is seated oo a low stool with the opeo volume jammed between his knees while the other stands by, looking down at the pages. Two books laid opeo on the floor give the key to the scene — they must be cribbing some Latin text. No indication is given of architectural space. This is an icon, as timeless as ever, on the theme of learning.

The painter handled still life, his other passion, with the same aesthetic restraint. One of his early essays from 1852 shows a copper basin with a white kitchen towel thrown over the rim and the handle of a ladle that sticks out. There is no furniture, oot even the suggestion of a wall.

Ten years later, when painting a basket with apples and a bunch of grapes that gleam in the dark, Bonvin again cast aside any idea of a background — the basket sits on an ill-defined dark surface with a sheeo. If Courbet's realism is descriptive and often bombastic, Boovin's is quintessential and understated.

The painter stands as clearly apart in his handling of still lifes as he does with his gallery of portraits. It is as if Bonvin had carried over the hermetic loneliness of his childhood, impervious to the world, into his art. To survive as a child, he erected psychological barriers around himself. The artist retained them in a rare case of creation in qoasi-isolation.

"Francois Bonvin (1817-1887)," Galerie Beres, 25 Quai Voltaire, until Jan. 10.

Portrait of a young boy from 1848; infirmity is suggested rather than depicted.

One of two landscapes in oils done in 1846 by Francois Bonvin.

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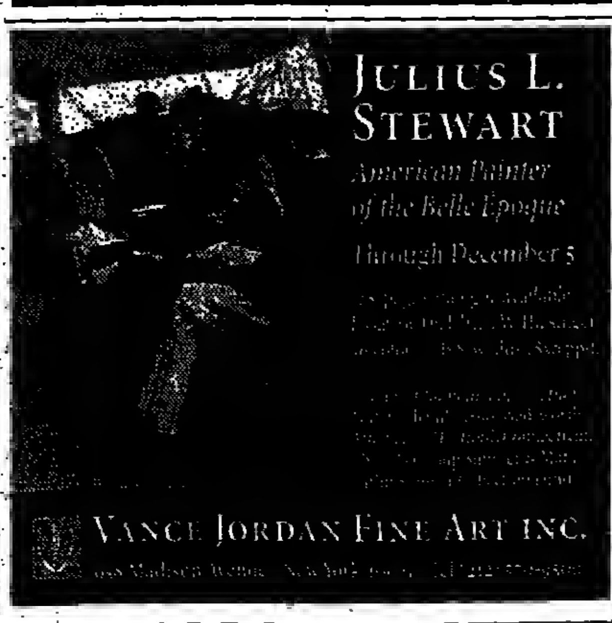

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The Associated Press.

A-B-C

12 Month High	12 Month Low	Stock	Div	Yld	PE	Sls 100s	High	Low	Latest	Chge
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D-E-F

G-H-I

J-K-L

M-N-O

Continued on Page 16

هكذا من الأصل

Herald Tribune INTERNATIONAL

BUSINESS/FINANCE

SATURDAY-SUNDAY, NOVEMBER 28-29, 1998

Recession Deepens in Hong Kong

GDP Shrinks at 7% Rate, Sharpest Drop on Record

By Mark Landler
New York Times Service

HONG KONG — In the worst performance since it began keeping records nearly four decades ago, Hong Kong said Friday that its economy shrank by an estimated 7 percent annual rate in the third quarter.

But officials here said that the region's downturn might be at its low point, citing forecasts by the World Bank and the International Monetary Fund that economic output would rebound in the second half of 1999.

The Hong Kong economy has been shrinking at an accelerating rate since the first quarter, as the Asian financial crisis pummeled retail sales, exports, tourism and domestic consumption.

"These were quite depressing figures," said Sir Donald Tsang, the financial secretary of Hong Kong.

But Sir Donald expressed guarded optimism, saying that the government expected a full-year decline of 5 percent in the economy, implying that gross domestic product would decline by less than a 7 percent rate in the next quarter.

"We have to go through what I call a psychological barrier," said Sir Donald, noting that Hong Kong probably faces two more quarters of negative performance before the tide finally turns.

Despite the numbers, the Hong Kong stock market barely wavered Friday, with the benchmark Hang Seng index edging down 36.81 points, or 0.3 percent, to close at 10,732. Investors disregarded Hong Kong's fundamentals, preferring to focus on recent cuts in interest rates here and in the United States, which they believe will reignite consumer demand.

"Yesterday we had a historic low in export figures and the market went up; today we had a historic low in economic output, and the market barely moved," said Dong Tao, senior regional economist at Credit Suisse First Boston in Hong Kong. "The market is simply ignoring all the bad news."

Real estate prices have rebounded even more dramatically than the stock market. An index that tracks the shares of leading property developers has risen 90.7 percent in the last two months, the sharpest increase ever in a two-month period, according to a report by Morgan Stanley Dean Witter.

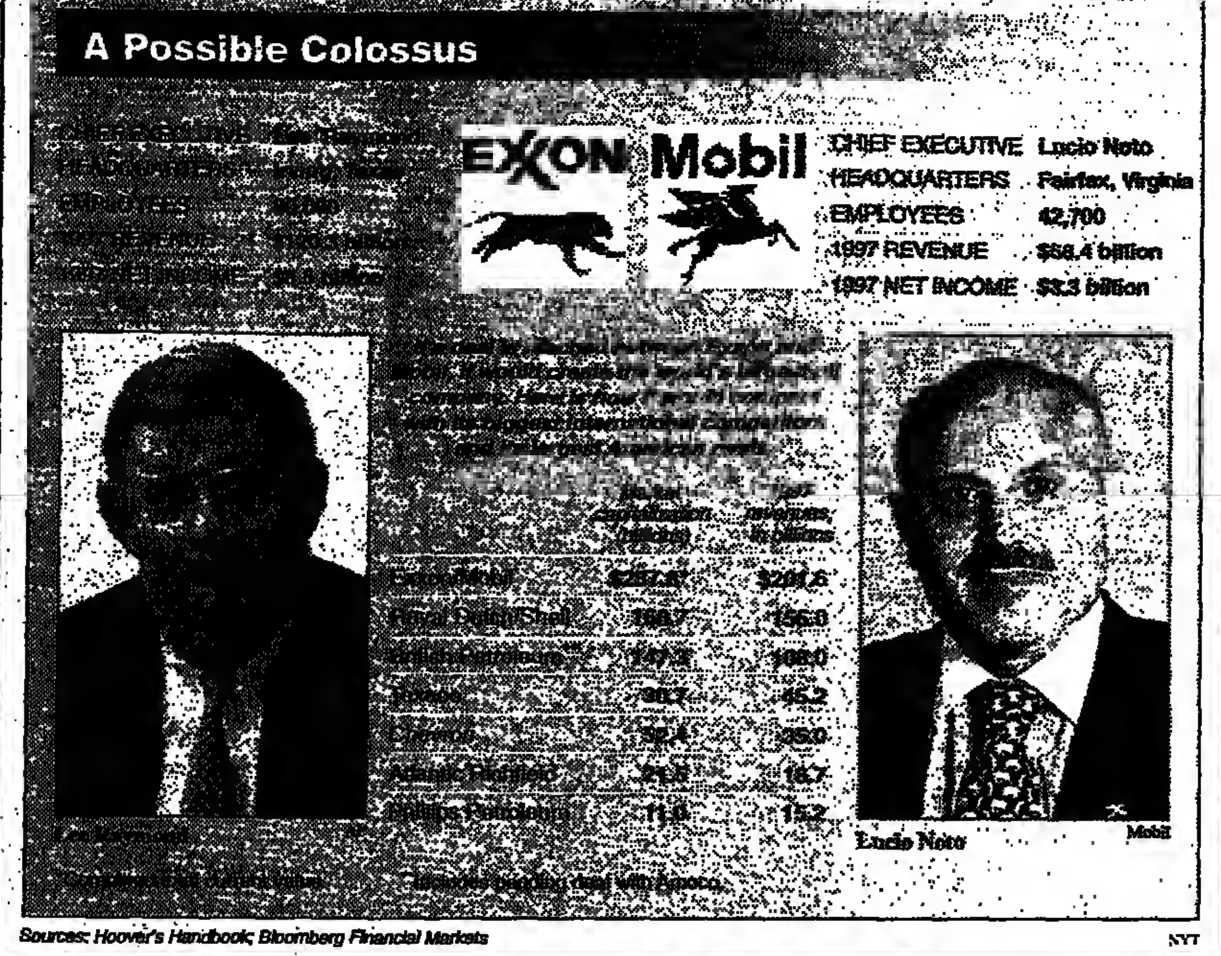
Experts are divided on what the disparity between the markets and the underlying economy means. Some say the improved sentiment will lift the economy, as Hong Kong has always been fueled by intangible factors like consumer confidence. Others say the rising property and share prices merely delay what will be a painful and unavoidable economic adjustment.

"Hong Kong is on a placebo therapy," Mr. Tao said. "The improved sentiment is a good thing. But placebos are just sugar pills. They cannot really cure the disease in a fundamental way."

More pessimistic observers said the buoyant markets would allow Hong Kong to avoid reducing its costs, which are the highest in Asia and put it at a competitive disadvantage. Singapore, which is vying with Hong Kong to be the financial hub of East Asia, adopted a package of wage and pension reductions this week that will carve $6.5 billion in costs out of its economy.

"The recovery in Hong Kong will be the slowest in the region simply because the price levels haven't fully adjusted," said Marc Faber, chairman of Marc Faber Ltd., a Hong Kong investment advisory firm. He said the region's high costs were already hurting in areas like shipping. He noted that container traffic in Shenzhen, a mainland city across the border from Hong Kong, had grown 90 percent so far this year, while traffic in Hong Kong's port rose only marginally.

Beyond cutting costs, analysts said there was little Hong Kong could do to hasten its recovery. With an economy heavily reliant on trade, they said Hong Kong's future depended very much on the health of its trading partners, primarily China, the United States and Japan.



Sources: Hoover's Handbook; Bloomberg Financial Markets NYT

The Era of 'Unthinkable' Mergers

Global Pressures Brought Exxon and Mobil to the Table

By Allen R. Myerson and Agis Salpukas
New York Times Service

NEW YORK — Whether or not the talks between Exxon Corp. and Mobil Corp. lead to a takeover or some other business combination, America's economic history is already being rewritten.

In energy, as in businesses like financial services, telecommunications and automobiles, global competition and technology have made unthinkable combinations practical, even necessary.

Oil companies like Exxon and Mobil have an additional pressure: Crude oil prices have fallen sharply, plunging 40 percent just this year to levels, adjusted for inflation, not seen since before the first oil embargo 25 years ago.

As such, the oil companies, having spent years cutting their costs, are desperate for further savings in order to continue operating profitably.

Exxon and Mobil are the two largest, strongest competitors to emerge from the most famous U.S. antitrust case, the 1911 breakup of John D. Rockefeller Sr.'s Standard Oil Trust. The companies confirmed Friday that Exxon was discussing taking over Mobil, and their stocks rose sharply. Mobil shares closed $7.875 higher at $86.25 on the New York Stock Exchange, and Exxon finished up $4 at $76.6875.

The giants face a Royal Dutch/Shell Group that is larger than either of them. They will also confront a British Petroleum PLC made far more potent in the United States by its agreement this summer to buy Amoco Corp. for $48.2 billion. Industry executives say further deals on this scale are inevitable.

If Exxon and Mobil agree to become one, antitrust regulators are likely to be cautious about putting back together much of what they long ago broke apart. Even so, most oil industry analysts contend that improved efficiency from combining giant energy companies would do more to lower costs than the more concentrated ownership of gas stations and refineries would do to raise them.

"The ultimate beneficiary of all this will be the consumer," said Daniel Yergin, chairman of Cambridge Energy Research Associates.

If Exxon and Mobil ultimately do combine, the costs could prove heaviest for energy industry employees. Analysts say that thousands of the about 80,000 global employees at Exxon, based in Irving, Texas, and the more than 40,000 at Mobil, in Fairfax, Virginia, would be likely to lose their jobs.

Exxon, with Lee Raymond, and Mobil, with Lucio Noto, both have chief executives who have been preoccupied with the humbling accommodations that low oil prices have made necessary.

Oil companies were everybody's favorite targets during the trust-busting era early this century and again during the Arab oil embargoes of the 1970s. Now they seem especially vulnerable as demand weakens in much of the world, especially in economically troubled Asia, weighing further on already depressed prices.

"They're pitiful, helpless giants," said Ronald Chernow, author of "Titan," a biography of Rockefeller.

As such, these giants are compelled to continue cutting costs and spreading the risks of their huge, expensive international projects that are needed to develop oil reserves needed for the next century.

Mobil, with $58.4 billion in sales last year, might seem large enough to undertake anything. But in competing for rights to develop huge natural gas fields in Turkmenistan, a former Soviet republic, Mobil was unable to match Shell's offer to build a pipeline for $1 billion or more.

Oil companies have decided that they cannot count on a rebound in oil prices to revive their fortunes any time soon. The Energy Department predicted this month that the collapse of Asian demand would continue to depress oil prices for nearly a decade, and by as much as $5.50 a barrel in 2000. On Thursday, the Organization of Petroleum

See EXXON, Page 12

Barclays Chief Resigns Amid Earnings Slump

Shakeup and Dim Forecast Fuel Merger Talk

By Tom Buerkle
International Herald Tribune

LONDON — Barclays Bank PLC announced the sudden resignation of its chief executive Friday and a big downgrade of its second-half earnings estimate, news that sent the bank's stock price plummeting and fueled talk of a possible merger or takeover.

The exit of Martin Taylor, regarded as the wunderkind of British banking when he took over as chief executive five years ago, fanned speculation about management divisions over strategy.

It followed recent reports that Mr. Taylor was considering a major reorganization that would split the bank's retail activities from its wholesale banking division, which is the second-largest lender to British industry. It also came amid signs of renewed problems at the bank's capital markets subsidiary, Barclays Capital, which was supposed to have been restored by a major downsizing a year ago.

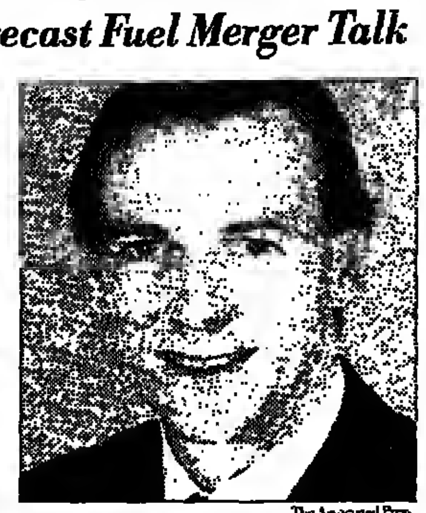
"One has to assume there's been a reasonably substantial strategic disagreement," said Michael Lever, an analyst at HSBC Securities. "It is vulnerable, though it is a big bank in market capitalization terms." That capitalization stands at about £20 billion ($33.22 billion), making Barclays' sheer size its best protection from any unwanted takeover, analysts said.

Barclays turned to Sir Peter Middleton, who stepped down as deputy chairman in April, to serve as interim chief executive. Sir Peter took back the title of deputy chairman and will succeed Andrew Buxton as chairman when a new chief executive can be found.

Sir Peter dismissed the talk of a management rift and said Mr. Taylor was leaving to "recharge his batteries" after a tough five years at the helm. "There was no conflict with the board," he said.

He also played down merger speculation, saying the bank was "enormously profitable" and had no such plans under active consideration. "We don't need a deal to straighten ourselves out," he said.

Analysts have suggested a possible link with such retail-oriented lenders as Halifax PLC and Abbey National PLC or the insurer Prudential Corp. Mr. Taylor himself did little to stop speculation a year ago of a possible merger with another big bank, National Westminster Bank PLC, although most industry executives maintained that British antitrust regulators would oppose such a move.



The Associated Press

Martin Taylor quit Barclays Friday.

Sir Peter said the bank was reviewing Barclays Capital and might take action to reduce its risk profile, but he denied that the division was on the chopping block.

"We're not selling it, dismantling it or throwing it away," he said.

Sir Peter was a former chairman of BZW, which was partly dismantled and renamed Barclays Capital by Mr. Taylor last year.

The combination of the shakeup, the prospect that management uncertainty will persist for months and the earnings downgrade, sent the bank's share price sharply lower. The shares fell £1.06, or 7.1 percent, to £13.78 on the London Stock Exchange.

Barclays said it expected to report a pretax profit of not less than £1.9 billion for 1998. Given that the bank posted a profit of £1.29 billion in the first half, that indicated a dramatic decline in the second, much of which appears to stem from Barclays Capital, analysts said.

The bank took a £425 million write-off last year to sell the equity and corporate advisory business of BZW and pursue a niche role, as Barclays Capital, as a trader and underwriter of bond issues.

But that pared-down strategy began to look ragged two months ago when Barclays Capital announced it was setting aside £250 million for likely losses on its exposure to Russia. Analysts say the bank may have suffered further losses during the financial market turmoil in September and October, including the near collapse of the hedge fund Long-Term Capital Management LP.

Japan's Finance Minister Says He'll Step Down by Year's End

By Sheryl WuDunn
New York Times Service

TOKYO — Finance Minister Kiichi Miyazawa, a key figure in efforts to revive Japan's economy and stave off a global recession, said Friday that he would step down formally from political leadership role, and thus from his cabinet post, at the end of this year.

Such a move, apparently in the works for a while, may raise questions about Japan's economic policy, in part because Mr. Miyazawa had more credibility and connections with the West than other Japanese politicians. But it is unlikely that Mr. Miyazawa's resignation would lead to dramatic changes in Japanese economic policy, and he may well continue to exert enormous influence from behind the scenes.

In addition, finance ministers in Japan generally have less influence than the bureaucrats who work under them. Mr. Miyazawa was unusually authoritative, for he was a former prime minister as well as a former Finance Ministry bureaucrat. He also tended to agree with the judgments of the bureaucrats working under him.

"First I have to make sure the budget gets done right," he said Friday, according to the Kyodo news agency.

[Later Friday, the cabinet of Prime Minister Keizo Obuchi approved an extra budget of 5.68 trillion yen ($46.7 billion) to pay for some of the government's stimulus package, Bloomberg News reported from Tokyo.]

A spokesman for Mr. Miyazawa's office said he would step down as finance minister when he resigned as

Shizuo Takahashi/The Associated Press

Mr. Miyazawa is one of Japan's two most influential politicians.

leader of his political faction within the governing Liberal Democratic Party.

In some ways, the departure from formal politics of Mr. Miyazawa, who is 79, reflects a generational shift that has been taking hold in the last few years.

Mr. Miyazawa has been considered one of the two most influential politicians in Japan, along with Noboru Takeshita, who still has a strong grip on the political strategy behind the scenes. Within the Liberal Democratic Party, Mr. Miyazawa's resignation will make way for Koichi Kato, 59, who will take over Mr. Miyazawa's faction and become a candidate for prime minister in the future.

Politicians like Mr. Kato have been exerting greater influence on major policy and personnel decisions, and it was partly because of his opposition that the Liberal Democrats rejected proposals to stimulate the economy by cutting the national consumption tax.

Central Bank Chief Hints European Rates May Fall

By Tom Buerkle
International Herald Tribune

LONDON — The president of the European Central Bank hinted Friday at the prospect for a reduction in interest rates, saying that inflation appeared set to stay at historically low levels and that the bank was prepared to play a role in promoting growth and employment.

The official, Wim Duisenberg, also sought to play down suggestions of a rift with finance ministers on budgetary policy, saying that at a meeting earlier this week ministers from the 11 countries that will have the euro gave an "unequivocal and unambiguous" commitment to respect the deficit ceilings in Europe's stability pact.

"For me, that was enough," he said.

Speaking at a conference here, Mr. Duisenberg emphasized that the central bank's monetary policy was a limited tool that could not generate jobs directly but could "create an environment of stability" conducive to employment.

Given those limits, he said, "in specific circumstances, if production, inflation and employment all move in the same direction, monetary policy can play some role in stabilizing output and employment growth without endangering price stability."

The comments followed a string of weaker economic data in recent weeks, particularly from France and Germany, and helped to fuel speculation on financial markets that rate cuts were imminent.

"Duisenberg is softening his tone somewhat," said Mark Cliffe, senior European economist at ING Barings in London. "At least he's not ruling anything out" in terms of lower rates, he added.

"The case to cut rates is quite strong," said Philippe Brossard, an economist at ABN AMRO in Paris.

Bond prices rallied strongly across Europe on Mr. Duisenberg's comments, pushing long-term interest rates down to almost 4 percent, while European currencies, whose attractiveness is reduced by lower rates, weakened against the dollar.

The French government reported Thursday that the economy expanded by 0.5 percent in the third quarter, or by only 0.3 percent when adjusted for the effect of extra working days, while the IFO survey of German business expectations fell sharply in October. The indicators suggested that the growth rate of Europe's two leading economies has fallen well below 2 percent.

"A lot of the information we're getting from business surveys suggest that the corporate sector is getting more cautious about the growth outlook for next year, and that would have an impact on investment plans and employment plans," said Richard Reid, a senior economist at Donaldson, Lufkin & Jenrette International in London. "There's nothing in the way of any inflation worries out there."

Mr. Duisenberg appeared relatively sanguine about growth, saying that although it would be slower next year it would remain sufficient to sustain job growth in Europe. But he noted that inflation in the euro area was just 1 percent and would remain at a level consistent with price stability in 1999.

The question for analysts is when, not whether, European rates will come down.

Most economists believe rates in the euro-11 countries will converge at the German and French level of 3.3 percent at the end of this year, followed by a reduction to 3 percent in the first quarter of next year from the European Central Bank. The recovery of European stock markets and the decline of the mark against the dollar has removed some of the pressure for an early cut, and Mr. Duisenberg and his colleagues may want to move cautiously to demonstrate their independence in the face of recent calls for lower rates from Finance Minister Oskar Lafontaine of Germany.

CURRENCY & INTEREST RATES

Cross Rates

Nov. 27

	$	£	D.M.	F.F.	Lira	D.Fl	B.F.	S.F.	Yen	C$	Peseta
Amsterdam	1.9865	3.3189	1.1274	0.3362	0.1139*	—	5.4495*	1.367	1.565*	1.2635	1.3255*
Brussels	35.24	58.34	20.628	6.1515	2.084*	18.2966	—	25.00	0.2860	22.10	24.240*
Frankfurt	1.7008	2.822	—	0.2982	0.101*	0.887	4.8478*	1.2128	1.37*	1.1075	1.1757*
London (a)	1.6558	—	2.8087	9.4857	2,799.51	3.1803	58.367	2.3227	203.655	2.5478	240.7119
Madrid	144.91	240.087	85.066	25.369	8.552*	75.45	4.1228	103.382	118.38*	94.349	—
Milan	1,693.55	2,798.90	998.18	295.58	—	877.30	48.92	1,159.78	13.733	1,097.88	11.46
New York (b)	—	1.6558a	1.7127	5.7465	1,694.00	1.9304	35.34	1.4135	123.04	1.5345	144.98
Paris	5.7122	9.464	3.3532	—	0.3387*	2.9748	0.1656	4.0642	4.6554*	3.7491	3.942*
Tokyo	122.48	203.33	71.93	21.45	7.27*	63.60	2.4882	86.98	—	79.82	0.8458
Toronto	1.5345	2.5378	0.8958	0.2671	0.0905*	0.7945	0.0441*	1.0856	1.2471*	—	1.052*
Zurich	1.4084	2.3340	0.8246	0.244	0.083*	0.7314	3.998*	—	1.1465*	0.9158	0.9685*
1 ECU	1.1507	0.6946	1.9603	6.5233	1,940.78	2.2108	40.4049	1.6124	141.996	1.7674	166.752
1 SDR	1.3019	0.8335	2.3428	7.914	2,336.58	2.461	48.693	1.9591	142.405	2.1382	200.704

Closings in Amsterdam, London, Milan, Paris and Zurich, fixings in other centers; New York rates at 4 P.M. and Toronto rates at 3 P.M.
a: To buy one pound b: To buy one dollar *Units of 100; N.Q.: not quoted; N.A.: not available.

Other Dollar Values

Currency	Per $	Currency	Per $	Currency	Per $	Currency	Per $
Argent. peso	0.9999	Greek drac.	285.69	Mex. peso	9.93	S. Afr. rand	5.7075
Australian $	1.5785	Hong Kong $	7.7427	N. Zealand $	1.8943	S. Kor. won	1242.00
Austrian sch.	11.984	Hung. forint	220.66	Norw. krone	7.5218	Swed. krona	8.1571
Brazil real	1.1978	Indian rupee	42.54	Phil. peso	39.44	Taiwan $	32.48
Chinese yuan	8.2777	Indo. rupiah	7600.00	Polish zloty	3.45	Thai baht	36.10
Czech koruna	30.48	Irish £	0.6859	Port. escudo	174.65	Turkish lira	300745.
Danish krone	6.4786	Israeli shek.	4.1722	Russ ruble	17.47	UAE dirham	3.6727
Egypt. pound	3.4087	Kuw. dinar	0.304	Saudi riyal	3.7502	Venez. boliv.	571.075
Fin. markka	5.776	Malay. ring.	3.79	Sing. $	1.65		

Forward Rates

Currency	30-day	60-day	90-day	Currency	30-day	60-day	90-day
Pound Sterling	1.6528	1.6514	1.6494	Japanese yen	122.04	121.55	121.09
Canadian dollar	1.5370	1.5364	1.5363	Swiss franc	1.4010	1.3970	1.3934
Deutsche mark	1.7019	1.6988	1.6968				

Sources: ING Bank (Amsterdam); KBC Bank (Brussels); Banca Commerciale Italiana (Milan); Banque de France (Paris); Bank of Tokyo-Mitsubishi (Tokyo); Royal Bank of Canada (Toronto); IMF (SDR). Other data from the Associated Press, Bloomberg and Reuters.

Libid-Libor Rates

Nov. 27

	Dollar	D-Mark	Swiss Franc	Sterling	French Franc	Yen	ECU
1-month	5 1/8 - 5 1/4	3 9/16 - 3 11/16	1 3/8 - 1 1/2	6 7/8 - 7	3 1/4 - 3 9/16	1/16 - 1/8	3 9/16 - 3 5/8
3-month	5 1/8 - 5 3/16	3 9/16 - 3 5/8	1 1/16 - 1 3/16	6 1/2 - 6 5/8	3 1/2 - 3 5/8	1/4 - 3/8	3 1/2 - 3 5/8
6-month	5 - 5 1/8	3 1/2 - 3 9/16	1 3/8 - 1 1/2	6 1/2 - 6 5/8	3 1/2 - 3 5/8	1/2 - 5/8	3 1/2 - 3 5/8
1-year	5 - 5 1/8	3 1/2 - 3 5/8	1 1/16 - 1 3/16	6 1/8 - 6 1/4	3 1/2 - 3 5/8	1/2 - 5/8	3 1/2 - 3 5/8

Sources: Reuters, Lloyds Bank.
Rates applicable to interbank deposits of $1 million minimum (or equivalent).

Key Money Rates

United States	Price	Today	Prev
Discount rate		4 1/2	4 1/2
Prime rate		7 3/4	7 3/4
Federal funds		4 9/16	4 1/2
90-day CDs (deal)		5.19	5.19
180-day CP (deal)		4.87	4.83
ML 30-day R-A		4.69	4.69
	Price	**Yield**	**Prev**
3-month T-bill	4.43	4.53	4.55
1-year T-bill	4.37	4.57	4.59
2-year T-note	100-00	4.62	4.64
5-year T-note	98-15	4.59	4.63
7-year T-note	114-04	4.68	4.71
10-year T-note	99-17	4.81	4.83
30-year T-bond	101-09	5.16	5.19

Japan	Close	Prev
Discount rate	0.50	0.50
Call money	0.23	0.22
1-month interbank	0.60	0.60
3-month interbank	0.65	0.65
6-month interbank	0.67	0.67
10-year Govt bond	1.11	1.08

Germany		
Lombard rate	4.50	4.50
Call money	3.43	3.43
1-month interbank	3.72	3.52
3-month interbank	3.66	3.66
6-month interbank	3.57	3.56
10-year Bund	3.98	4.01

Britain		
Bank base rate	6 1/4	6 1/4
Call money	6 1/4	7 1/2
1-month interbank	6 9/16	6 5/8
3-month interbank	6 5/16	6 3/8
6-month interbank	6 1/16	6 1/16
10-year Gilt	4.74	4.74

France		
Intervention rate	3.30	3.30
Call money	3 3/8	3 3/8
1-month interbank	3 7/16	3 7/16
3-month interbank	3 1/2	3 1/2
6-month interbank	3 3/8	3 3/8
10-year OAT	4.07	4.09

Sources: Reuters, Bloomberg, Merrill Lynch, Bank of Tokyo-Mitsubishi, Commerzbank, Credit Lyonnais.

Gold

	A.M.	P.M.	Ch'ge
Zurich	n.a.	295.65	−0.85
London	295.70	295.90	−0.30
New York	296.40	296.50	+0.10

U.S. dollars per ounce. London official fixings; Zurich and New York opening and closing prices; New York Comex (Dec.)
Source: Reuters.

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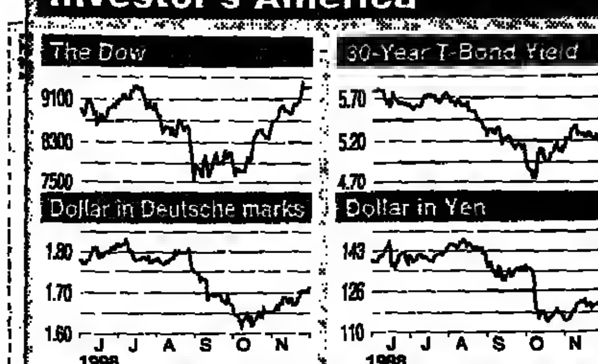
Investor's America



Exchange	Index	Friday @ 4 P.M.	Prev. Close	% Change
U.S.	The Dow	[illegible]	[illegible]	[illegible]
U.S.	S&P 500	[illegible]	[illegible]	[illegible]
U.S.	S&P 100	[illegible]	[illegible]	[illegible]
U.S.	NYSE Composite	[illegible]	[illegible]	[illegible]
U.S.	Nasdaq Composite	[illegible]	[illegible]	[illegible]
U.S.	AMEX Composite	[illegible]	[illegible]	[illegible]
Toronto	TSE Index	[illegible]	[illegible]	[illegible]
São Paulo	Bovespa	[illegible]	[illegible]	[illegible]
Mexico City	Bolsa	[illegible]	[illegible]	[illegible]
Buenos Aires	Merval	[illegible]	[illegible]	[illegible]
Santiago	IPSA General	[illegible]	[illegible]	[illegible]
Caracas	Capital General	[illegible]	[illegible]	[illegible]

Source: Bloomberg, Reuters — International Herald Tribune

Miyazawa And Data Sink Yen

Compiled by Our Staff From Dispatches

NEW YORK — The dollar rose strongly against the yen Friday after Japan released data that showed the country remained mired in a severe economic slump even as its finance minister said he would resign by the year-end.

"The Japanese economy is still pretty sluggish and showing no signs of recovery," said Kosuke Hanao, head of currency trading at Industrial Bank of Japan. "Basically speaking, there's no reason to buy the Japanese yen."

FOREIGN EXCHANGE

Japan reported Friday that its unemployment rate remained at a postwar record of 4.3 percent in October and that retail sales in October fell for the sixth month in a row.

Meanwhile, Finance Minister Kiichi Miyazawa said he would resign by the end of the year after compiling the 1999 budget. That stirred investor uncertainty about the stability of the government.

"With Miyazawa leaving, it's not very clear that they have a government in place or a coherent policy to try and address their problems," said John Praveen, global market strategist at Credit Suisse Asset Management.

At 4 P.M., the dollar was at 123.040 yen, up from 121.705 on Wednesday. U.S. markets were closed Thursday for the Thanksgiving holiday.

The dollar also rose strongly against European currencies after Wim Duisenberg, president of the new European Central Bank, suggested he might be willing to lower interest rates.

The new bank will replace the Bundesbank as the de facto rate-setter for the 11 countries adopting a single currency Jan. 1. The Frankfurt-based bank will get its first opportunity to cut rates when it meets Dec. 22. Some economists expect it to set a repurchase rate as low as 3.00 percent, less than the 3.30 percent rate prevailing in Germany, the benchmark for the euro countries.

Mr. Duisenberg suggested lower rates could be called in to fight unemployment in Europe.

The dollar rose to 1.7127 Deutsche marks from 1.7045 on Wednesday, to 5.7445 French francs from 5.7133 and to 1.4123 Swiss francs from 1.4100.

The pound fell to $1.6538 from $1.6610. *(Bridge News, Bloomberg)*

Technology Stocks Power Nasdaq to Record

Compiled by Our Staff From Dispatches

NEW YORK — Stocks rose Friday, with the broad Standard & Poor's 500 and Nasdaq composite indexes setting records as investors continued to pour money into technology stocks.

The Nasdaq finished 31.23 points higher at a record 2,016.44, while the S&P 500 ended up 5.42 points at a new peak of 1,192.29. The Dow Jones industrial average lagged, finishing up 18.80 points at 9,333.08. But the blue-chip index is still up 18 percent for the year.

Gaining issues outnumbered losing ones by a 7-to-6 ratio on the New York Stock Exchange.

"The U.S. economy continues to expand and create jobs, and corporate profits continue to rise in most industries, despite sluggish conditions abroad," Abby Joseph Cohen, investment strategist for Goldman, Sachs & Co., wrote in a note to clients Friday.

U.S. STOCKS

Internet companies soared, partly on optimism that consumers will do much of their holiday shopping on-line.

"Everyone's saying Internet shopping is going to so big," said Patrick Davis, co-head of Nasdaq trading at PaineWebber Inc. "And people who use the Internet are buying the stocks. But they're not going to stay up forever."

Books-a-Million was the most actively traded stock, rising 26 to 38 15/16. The stock traded at just 4⅛ on Tuesday, before it introduced an enhanced Web site to sell more books over the Internet.

Egghead.com, which sells software on-line and holds auctions on the World Wide Web, rose 10 3/16 to 31¾. The price has doubled this week. Onsale, another Web auction service, rose 37⅝ to 97⅝; it began the week at 29.

America Online, the leading Internet service provider, rose 2⅜ to 94⅞.

Oil stocks rose after Exxon and Mobil confirmed they were in talks that could lead to a combination of the companies. Exxon rose 1 11/16 to 74⅜ and Mobil gained 7⅝ to 86.

More than a dozen companies this week announced deals or talks on mergers or acquisitions, all of them valued at more than $1 billion. Investors took this as a sign that companies see value in the market.

"The tone of the market is bullish," said Ed Laux, co-head of equity trading at ABN AMRO Inc. "The problems over the summer seem less troublesome. The perception is that the worst is over."

In the Treasury bond market, prices rose on expectations for inflation to remain subdued even as the economy grows. The price of the benchmark 30-year issue finished 13/32 point higher at 101 12/32, sending the yield down to 5.16 percent from 5.19 percent Wednesday. *(Bloomberg, Reuters)*

Luring the Low-Paid With Visions of a Home

By Kirstin Downey Grimsley
Washington Post Service

HUNTSVILLE, Arkansas — It's the frenzied "fresh" season at the Butterball Turkey Co. plant here at a remote spot in the Ozark Mountains, and workers are laboring around the clock to slaughter, clean, package and ship up to 46,000 birds a day to grocery stores across the nation.

It is arduous work for people like Alfredo Perez Martinez, 53, who is paid by the hour to work as a plant inspector. But when Mr. Martinez's 12-hour nocturnal shift is over each morning, he just crosses the parking lot and he is home: He rents a dormitory-style apartment equipped with cable television, a full kitchen, housekeeping services, washer, dryer and picnic area, newly constructed by the parent company of Butterball, ConAgra Inc.

Mr. Martinez said it is the nicest place he has ever lived in: no leaking roof, no cockroaches, no rats, adequate bathroom facilities. "I have never encountered anything like this before," he said in Spanish, explaining how the employer-subsidized housing drew him to Arkansas from California six months ago. "Now I never want to change jobs again."

ConAgra is among a wave of employers around the country that are beginning to provide subsidized housing for their workers, primarily as a recruitment and retention tool in areas where a booming economy has created an extremely tight labor market. Some business owners see subsidized housing as a benefit they can use to entice workers at a time when, they say, they cannot raise wages.

In Nashville, Tennessee, the sprawling Opryland resort has bought a 150-room motel for $1.7 million to house employees it has lured from around the world, particularly Puerto Rico and Jamaica, to staff its still-growing hotel, retail and convention center complex.

Kathy Roadarmel, vice president of human resources, said prospective employees had turned down job offers from Opryland because they could not afford to move to Nashville. "Being able to provide housing for them gives us a real competitive advantage over other hotels that want to hire them," she said.

At almost all the companies that provide housing, workers pay their rent through automatic payroll deductions. At the Butterball factory, where untrained workers start at $7 an hour, adults pay $40 per week for their lodging, and children stay free — a real deal, considering that apartments one hour away in Fayetteville, the closest large town, rent for $350 to $400 a month.

Generally, employers see the accommodations as short-term, transitional housing. Opryland imposes an 11-month cutoff after which workers are supposed to find their own place.

Though employer-assisted housing is growing, it carries specters that even its most enthusiastic adherents find troubling. The company towns of the 1800s gradually transformed immigrant workers into indentured servants when their expenses were inflated and deducted from their pay.

Kathryn Oberdeck, a cultural historian at the University of Illinois, said company towns were founded with fairly benevolent intentions, but that sometimes economic conditions deteriorated, the housing fell into disrepair and workers were abused.

"Then benevolence would show some frayed edges," Ms. Oberdeck said, adding that at some factory towns, poor housing and work conditions led to rising tensions, strikes and violence.

Very briefly:

- **Skoda Auto,** a unit of **Volkswagen AG,** plans to start building a plant in northern Colombia next year that would assemble 20,000 vehicles a year and employ 600 workers, the company's local affiliate said.
- **Loews Corp.,** the No. 3 American cigarette maker, will take a pretax charge of $325.2 million in the fourth quarter to cover costs of the settlement ending 46 states' health-care claims against cigarette makers.
- **Rival Co.,** which makes appliances under the Pollenex and Simer names, said it had received an unsolicited offer from an unidentified buyer and was evaluating the bid.
- **Infoseek Corp.** has renegotiated a deal with **Netscape Communications Corp.** to reduce the portion of visitors to Netscape's NetCenter site that are steered to Infoseek's Internet search engine.
- **Viacom Inc.** completed the sale of its **Simon & Schuster** educational publishing business to **Pearson PLC** for $4.6 billion, which Viacom will use to repay debt.
- **DaimlerChrysler AG** will idle 348 workers at its Fenton, Missouri, minivan plant in anticipation of a seasonal slowdown in minivan sales.

Bloomberg, Reuters

Some Good News for Brazil

Bloomberg News

BRASILIA — Brazil's current account deficit narrowed in October from the previous month as imports slumped and capital flight slowed, the central bank said Friday.

The current account deficit — the broadest measure of a country's trade of goods and services — fell to $4 billion, from $4.7 billion in September. The drop was spurred by a trade deficit that fell to $472 million, from $801 million the previous month, as imports fell due to a weakening economy. Non-Brazilian companies repatriated $568 in profits, falling from a record $1.9 billion in September.

EXXON: *Global Pressures Produce 'Unthinkable' Mergers*

Continued from Page 11

Exporting Countries put off until March any decision on extending oil production cutbacks to prop up prices.

Moreover, improving technology for exploration and production and the opening of new regions to development have added to the already huge supply of oil that is on hand now.

In response, many energy companies have already begun a new wave of cutbacks in their staffs and operations. To further reduce costs, companies like Mobil are forming partnerships that stop short of full mergers.

Two years ago, Mobil agreed to combine its European refining and marketing operations with British Petroleum's, resulting in annual savings of about $500 million. Shell and Texaco then formed a refining partnership in the United States.

In the face of these partnerships, said Amy Jaffe, an energy analyst with the James A. Baker 3d Institute for Public Policy in Houston, "If you're an Exxon, how do you compete?"

Although Mobil and Exxon might have high concentrations of gas stations in certain areas of the United States, analysts say they have far more competition at the pump than before oil prices collapsed in the 1980s.

Thousands of convenience stores now also sell gasoline produced by a variety of refining companies, and foreign national oil companies, like Venezuela's, sell their supplies through acquired companies like Citgo.

Under Mr. Noto, Mobil has been hunting for ways of becoming large and lean enough to survive. He took the lead in the deal with British Petroleum and has considered buying up smaller companies. And he has made it clear that corporate or personal pride would never block a deal.

In the European agreement with British Petroleum, Mobil's red flying horses have come down from the fronts of many gas stations, while the green and yellow BP logos have gone up.

As major oil companies team up, said John Hervey, an analyst with Donaldson Lufkin & Jenrette, "If the price is right, egos will not get in the way."

The Trib Index

Prices as of 3:00 P.M. New York time.

Jan. 1, 1992 = 100	Level	Change	% change	year to date % change
World Index	199.54	+2.50	+1.27	+15.94
Regional Indexes				
Asia/Pacific	92.33	−0.47	−0.51	−3.89
Europe	229.97	+5.10	+2.27	+19.13
N. America	279.73	+1.94	+0.70	+29.51
S. America	96.92	+0.65	+0.68	−36.52
Industrial Indexes				
Capital goods	284.35	+4.28	+1.53	+37.65
Consumer goods	244.98	+0.74	+0.30	+16.81
Energy	206.41	+6.97	+3.49	+5.87
Finance	139.92	+1.86	+1.35	+13.79
Miscellaneous	184.43	+2.12	+1.16	+23.05
Raw Materials	171.55	+0.77	+0.45	+2.58
Service	207.42	+3.16	+1.55	+16.99
Utilities	181.14	+2.92	+1.64	+8.55

The International Herald Tribune World Stock Index © tracks the U.S. dollar value of 280 internationally investable stocks from 25 countries.
Compiled by Bloomberg News.

AMEX

Friday's 1 P.M. Close

The 200 most traded stocks of the day.
The Associated Press.

Stock	Sales	High	Low	Latest	Chge
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

U. S. STOCK MARKET DIARY

Indexes

Dow Jones

	Open	High	Low	Last	Chg.
Indus	9311.85	9346.21	9304.50	9333.08	+18.80
Trans	3060.69	3078.98	3058.27	3077.81	+19.20
Util	310.38	311.28	309.63	309.93	-0.57
Comp	2875.42	2886.17	2873.93	2882.39	+6.71

Standard & Poors

	High	Low	Previous Close	Today Close
Industrials	—	—	1412.42	1421.33
Transp.	—	—	664.56	665.20
Utilities	—	—	258.23	257.20
Finance	—	—	131.86	131.64
SP 500	—	—	1186.87	1192.29
SP 100	—	—	587.45	590.77

NYSE

	High	Low	3 P.M.	Chg.
Composite	583.42	580.77	583.00	+1.96
Industrials	726.41	722.83	726.26	+3.84
Transp.	459.37	456.84	458.45	+1.44
Utility	425.44	424.34	424.66	-0.75
Finance	524.65	523.49	523.76	-0.51

Nasdaq

	High	Low	3 P.M.	Chg.
Composite	2016.57	1994.46	2016.15	+30.94
Industrials	1241.09	1229.86	1240.99	+16.72
Banks	1900.48	1881.29	1883.61	-14.27
Insurance	1722.38	1714.65	1717.94	-1.45
Finance	2433.46	2427.78	2433.46	+0.83
Transp.	931.54	928.92	930.55	+9.67

AMEX

High	Low	3 P.M.	Chg.
673.99	669.10	673.92	+4.58

Dow Jones Bond

	Previous Close	Today Noon
20 Bonds	106.58	106.76
10 Utilities	104.13	104.36
10 Industrials	109.03	109.16

Most Actives

NYSE

	Vol.	High	Low	3 P.M.	Chg.
Cendant	80797	18⅜	16⅝	[illegible]	[illegible]
Mobil	61984	87	84⅝	[illegible]	[illegible]
AmOnline s	60388	94⅞	92⅝	[illegible]	[illegible]
Exxon	51484	77⅜	74⅜	[illegible]	[illegible]
Citigrp	44617	52⅝	52⅛	[illegible]	[illegible]
Compaq s	44393	34⅝	34⅛	[illegible]	[illegible]
Disney s	43229	32⅛	30⅝	[illegible]	[illegible]
RamNat	37922	35	[illegible]	[illegible]	[illegible]
Texaco	32390	61	59⅝	[illegible]	[illegible]
Schlmb	29960	49⅝	47⅞	[illegible]	[illegible]
Amoco s	28072	60⅝	58⅝	[illegible]	[illegible]
PepsiCo	25560	39	37⅝	[illegible]	[illegible]
AtlRich	24059	70⅝	68⅝	[illegible]	[illegible]
Chevron	23151	85⅝	83⅝	[illegible]	[illegible]
PhilMor	22481	58⅝	58⅛	[illegible]	[illegible]

Nasdaq

	Vol.	High	Low	3 P.M.	Chg.
BookMill	286277	44½	15⅝	[illegible]	[illegible]
Navarre	177573	12⅞	6	[illegible]	[illegible]
Egghead	155774	32⅝	27⅝	[illegible]	[illegible]
OpenMkt	127630	23	16	[illegible]	[illegible]
Compact s	98631	7⅞	1⅞	[illegible]	[illegible]
Oracle	78007	100¼	66	[illegible]	[illegible]
DellCptr s	73273	65⅜	63⅝	[illegible]	[illegible]
CDnow n	64594	38⅝	28	[illegible]	[illegible]
Microsft s	64545	128⅝	124⅝	[illegible]	[illegible]
DTBdcst	57330	13⅝	10	[illegible]	[illegible]
SoftNic	54280	81⅛	78	[illegible]	[illegible]
Cisco s	54509	80	77	[illegible]	[illegible]
N2K Inc n	53581	22⅛	15⅝	[illegible]	[illegible]
MCI Wrld	51560	62⅝	61⅝	[illegible]	[illegible]
CyrCoh	47383	24⅝	18⅛	[illegible]	[illegible]

AMEX

	Vol.	High	Low	3 P.M.	Chg.
SPDR	48347	119⅝	117⅝	[illegible]	[illegible]
AudioBC	8743	15⅝	10⅝	[illegible]	[illegible]
BiocApp	6720	⅝	¼	[illegible]	[illegible]
Keane	5949	38⅝	36⅞	[illegible]	[illegible]
TWA	3477	5⅝	5⅝	[illegible]	[illegible]
PC Quote	3034	2	1⅝	[illegible]	[illegible]
Nabors	3002	15⅝	14⅛	[illegible]	[illegible]
NTHCard	2725	¾	⅝	[illegible]	[illegible]
BemaGold	2617	1⅛	⅞	[illegible]	[illegible]
AllouH	2544	9⅝	6⅝	[illegible]	[illegible]

Trading Activity

NYSE

	Close	Prev.
Advanced	1493	1582
Declined	1296	1432
Unchanged	546	507
Total issues	3285	3521
New Highs	61	71
New Lows	13	25

Nasdaq

	Close	Prev.
Advanced	1947	2193
Declined	1549	1798
Unchanged	1844	1387
Total issues	5340	5380
New Highs	113	90
New Lows	17	46

AMEX

	Close	Prev.
Advanced	249	294
Declined	214	256
Unchanged	157	189
Total issues	620	739
New Highs	7	10
New Lows	2	11

Market Sales

	Today Close	Prev. cons.
NYSE	260.40	719.96
Amex	14.19	29.65
Nasdaq	472.46	815.54

In millions.

Dividends

Company	Per	Amt	Rec	Pay
IRREGULAR				
Muni Inco II	-	.1427	12-4	12-18
Muni Inco III	-	.063	12-4	12-18
Muni Inco Tr	-	.0626	12-4	12-18
Muni Prem IncoTr	-	.2605	12-4	12-18
VanEck Gibinco A	-	.025	11-25	11-30
VanEck Tx Exmpt	-	.044	11-25	11-30
INCREASED				
Ottawa Fncl	Q	.11	12-10	12-30
INITIAL				
Fst Secur FedFncl	-	.07	12-7	12-21
REGULAR				
Angelica Corp	Q	.24	12-15	1-1
Block, HR.	Q	.25	12-14	1-4
Bond Fd Amer	Q	.0775	11-25	11-27
Champion Indus	Q	.05	12-7	12-28
ChemFirst Inc	Q	.10	12-10	12-28
Elliott Bros	Q	.02	12-7	12-21
Fair Isaac	Q	.02	12-7	12-22
Horizon FncISvcs	Q	.045	12-4	12-28
Interchange Fncl	Q	.10	12-18	1-15
MAF Bancorp Inc	Q	.07	12-16	1-5
MacDermid Inc	Q	.02	12-15	1-4
Medford Bncp	Q	.10	12-15	1-15
Morgan Keegan	Q	.07	12-16	1-15
Old Repub Intl	Q	.10	12-4	12-15
Optical Coat Lab	S	.06	12-3	12-16
State Bncp NY.	Q	.12	12-18	1-22
Teck Cp B g	S	.10	12-15	12-31
Utd Fire & Cas	Q	.17	12-15	1-5
Whitney Hldg	Q	.30	12-15	1-4

a-annual; b-approximate amount per share/ADR; g-payable in Canadian funds; m-monthly; q-quarterly; s-semiannually.

U.S. Stock Tables Explained

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 percent or more has been paid, the years high-low range and dividend are shown for the new stocks only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration.

a - dividend also extra (s).
b - annual rate of dividend plus stock dividend.
c - liquidating dividend.
cc - PE exceeds 99.
cld - called.
d - new yearly low.
dd - loss in the last 12 months.
e - dividend declared or paid in preceding 12 months.
f - annual rate, increased on last declaration.
g - dividend in Canadian funds, subject to 15% non-residence tax.
i - dividend declared after split-up or stock dividend.
j - dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting.
k - dividend declared or paid this year, an accumulative issue with dividends in arrears.
m - annual rate, reduced on last declaration.
n - new issue in the past 52 weeks. The high-low range begins with the start of trading.
nd - next day delivery.
p - initial dividend, annual rate unknown.
P/E - price-earnings ratio.
q - closed-end mutual fund.
r - dividend declared or paid in preceding 12 months, plus stock dividend.
s - stock split. Dividend begins with date of split.
sls - sales.
t - dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date.
u - new yearly high.
v - trading halted.
vi - in bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies.
wd - when distributed.
wi - when issued/
ww - with warrants.
x - ex-dividend or ex-rights.
xdis - ex-distribution.
xw - without warrants.
y - ex-dividend and sales in full.
yld - yield.
z - sales in full.

INTERNATIONAL FUTURES

Nov. 27, 1998

Columns: High / Low / Latest / Chge / Opint

Grains

CORN (CBOT) 5,000 bu minimum- cents per bushel

	High	Low	Latest	Chge	Opint
Dec 98	220	214¾	217½	+¼	56,910
Mar 99	232	228¾	229¼	+1	145,793
May 99	239½	235¼	235¼	unch.	38,455
Jul 99	244¾	241½	242	+¼	46,236
Sep 99	249¾	247¼	247¼	+½	7,334
Dec 99	255	252	253¼	+1	20,921
Mar 00	262¼	260½	261½	+1	540

Est. sales N.A. Wed's sales 64,457. Wed's open int 318,781, off 10,366

SOYBEAN MEAL (CBOT) 100 tons- dollars per ton

	High	Low	Latest	Chge	Opint
Dec 98	144.20	142.20	143.50	+1.80	22,454
Jan 99	146.80	144.60	146.20	+1.90	46,987
Mar 99	150.80	148.50	149.70	+1.40	22,468
May 99	154.40	152.40	153.50	+1.40	11,289
Jul 99	157.70	156.00	157.00	+1.30	16,091
Aug 99	159.00	157.70	158.70	+2.20	2,906

Est. sales N.A. Wed's sales 36,553. Wed's open int 130,586, off 223

SOYBEAN OIL (CBOT) 60,000 lbs- cents per lb

	High	Low	Latest	Chge	Opint
Dec 98	25.53	24.83	25.46	+0.73	13,918
Jan 99	25.70	25.10	25.63	+0.71	31,925
Mar 99	25.85	25.30	25.81	+0.70	25,472
May 99	25.88	25.40	25.83	+0.66	11,139
Jul 99	25.86	25.56	25.85	+0.57	13,347
Aug 99	25.95	25.55	25.95	+0.65	1,379

Est. sales N.A. Wed's sales 25,338. Wed's open int 102,862, off 825

SOYBEANS (CBOT) 5,000 bu minimum- cents per bushel

	High	Low	Latest	Chge	Opint
Jan 99	584	573	582¾	+11	70,265
Mar 99	593	583	592¾	+10½	28,459
May 99	600½	591½	599	+10¼	15,846
Jul 99	607½	598½	605¾	+10	18,934
Aug 99	609½	600	606¾	+9¾	1,518

Est. sales N.A. Wed's sales 20,154. Wed's open int 143,615, up 1,244

WHEAT (CBOT) 5,000 bu minimum- cents per bushel

	High	Low	Latest	Chge	Opint
Dec 98	280¾	274¾	277	-1	15,544
Mar 99	297½	294	294¾	-¾	69,325
May 99	306	303¾	304¼	-1¼	9,095
Jul 99	318	314¼	314¾	-1	20,890

Est. sales N.A. Wed's sales 32,969. Wed's open int 118,156, off 5,587

Livestock

CATTLE (CMER) 40,000 lbs.- cents per lb.

	High	Low	Latest	Chge	Opint
Dec 98	62.70	63.30	63.25	-0.10	25,263
Feb 99	63.60	63.22	63.42	-0.03	37,018
Apr 99	65.27	64.85	64.95	-0.07	22,437
Jun 99	63.77	63.45	63.50	-0.10	11,721
Aug 99	63.90	63.62	63.65	-0.17	7,555
Oct 99	66.50	66.30	66.50	+0.10	2,091

Est. sales N.A. Wed's sales 18,568. Wed's open int 106,823, off 6

FEEDER CATTLE (CMER) 50,000 lbs.- cents per lb.

	High	Low	Latest	Chge	Opint
Jan 99	71.46	70.90	71.07	-0.10	4,930
Mar 99	71.70	71.25	71.50	Unch.	2,317
Apr 99	72.45	72.05	72.25	+0.03	964
May 99	72.92	72.70	72.82	-0.05	1,133
Aug 99	73.90	73.75	73.90	Unch.	461
Sep 99			73.80	+0.10	107

Est. sales N.A. Wed's sales 1,158. Wed's open int 9,934, up 16

HOGS-Lean (CMER) 40,000 lbs.- cents per lb.

	High	Low	Latest	Chge	Opint
Dec 98	29.17	27.50	27.95	-1.12	12,105
Feb 99	36.70	35.90	35.97	-0.63	15,594
Apr 99	39.80	39.07	39.47	-0.15	6,840
Jun 99	50.47	49.80	50.12	-0.13	4,477
Jul 99	52.25	51.35	51.95	-0.10	2,176

Est. sales N.A. Wed's sales 8,497. Wed's open int 44,494, off 165

PORK BELLIES (CMER) 40,000 lbs.- cents per lb.

	High	Low	Latest	Chge	Opint
Feb 99	44.00	43.30	43.82	+0.05	4,314
Mar 99	42.77	42.30	42.45	-0.12	879
May 99	45.35	44.60	44.90	-0.05	457

Est. sales N.A. Wed's sales 1,533. Wed's open int 5,683, up 37

LONDON METALS (LME) Dollars per metric ton

	Close		Previous	
Aluminum (High Grade)				
Spot	1298.00	1299.00	1294½	1295½
Forward	1304.00	1305.00	1302.00	1302½
Copper Cathodes (High Grade)				
Spot	1565½	1566½	1564.00	1565.00
Forward	1592.00	1593.00	1591.00	1592½
Lead				
Spot	502.00	504.00	502.00	503.00
Forward	497.00	498.00	492.00	493.00
Nickel				
Spot	4140.00	4150.00	4035.00	4045
Forward	4205.00	4210.00	4120.00	4130
Tin				
Spot	5360.00	5370.00	5335.00	5345.00
Forward	5350.00	5355.00	5340.00	5360.00
Zinc (Special High Grade)				
Spot	996½	997½	984.00	985.00
Forward	1013.00	1014.00	1002.00	1003.00

Financial

Columns: High / Low / Close / Chge / Op Int

US T BILLS (CMER) $1 million- pts of 100 pct.

	High	Low	Close	Chge	Op Int
Dec 98	95.60	95.52	95.59	+0.02	1,809
Mar 99	95.92	95.80	95.82	+0.02	420
Jun 99			95.93	+0.01	33

Est. sales N.A. Wed's sales 213. Wed's open int 2,262, up 4

5 YR TREASURY (CBOT) $100,000 prin- pts & 64ths of 100 pct

	High	Low	Latest	Chge	Opint
Dec 98	112-56	112-41	112-55	+08	175,440
Mar 99	113-18	113-14	113-16	+09	171,258
Jun 99			113-03	+09	25

Est. sales N.A. Wed's sales 111,437. Wed's open int 346,723, off 1,915

10 YR TREASURY (CBOT) $100,000 prin- pts & 32nds of 100 pct

	High	Low	Latest	Chge	Opint
Dec 98	118-14	118-09	118-12	+04	280,468
Mar 99	118-25	118-19	118-23	+04	236,004
Jun 99			118-10	+04	3,801

Est. sales N.A. Wed's sales 168,156. Wed's open int 520,273, off 5,329

US TREASURY BONDS (CBOT) (8 pct-$100,000-pts & 32nds of 100 pct)

	High	Low	Latest	Chge	Opint
Dec 98	128-20	128-12	128-20	+11	333,012
Mar 99	128-13	128-04	128-13	+12	405,145

Est. sales N.A. Wed's sales 337,814. Wed's open int 746,159, off 12,556

LONG GILT (LIFFE) £50,000 - pts & 32nds of 100 pct

	High	Low	Latest	Chge	Opint
Dec 98	116.99	116.45	116.53	−0.20	49,473
Mar 99	117.15	116.60	116.67	−0.34	106,974

Est. sales: 55,251. Prev. sales: 108,865. Prev. open int.: 156,447 up 16,306

GERMAN GOV. BUND (LIFFE) DM250,000 - pts of 100 pct

	High	Low	Latest	Chge	Opint
Dec 98	N.A.	N.A.	114.20	+0.14	2,587
Mar 99	N.T.	N.T.	114.54	+0.12	0

Est. sales: n.a. Prev. sales: 572. Prev. open int.: 2,587 off 325

10-YEAR FRENCH GOV. BONDS (MATIF) FF500,000 - pts of 100 pct

	High	Low	Latest	Chge	Opint
Dec 98	110.72	110.34	110.61	+0.34	74,650

Est. sales: 39,346. Open int.: 74,650 off 2,346

ITALIAN GOVERNMENT BOND (LIFFE) ITL 200 million - pts of 100 pct

	High	Low	Latest	Chge	Opint
Dec 98	N.A.	N.A.	112.30	+0.21	54,376
Mar 99	N.A.	N.A.	112.40	+0.22	6,225

Est. sales: n.a. Prev. sales: 8,759. Prev. open int.: 60,611 off 342

3-MONTH STERLING (LIFFE) £500,000 - pts of 100 pct

	High	Low	Latest	Chge	Opint
Dec 98	93.280	93.250	93.270	+0.010	193,502
Mar 99	93.940	93.880	93.910	Unch.	158,176
Jun 99	94.250	94.190	94.220	−0.010	149,999
Sep 99	94.370	94.310	94.340	−0.020	154,696
Dec 99	94.280	94.170	94.190	−0.020	137,957
Mar 00	94.400	94.330	94.350	−0.040	114,292
Jun 00	94.410	94.330	94.350	−0.040	81,640

Est. sales: 62,471. Prev. sales: 100,937. Prev. open int.: 1,148,928 up 5,946

3-MONTH EUROMARK (LIFFE) DM1 million - pts of 100 pct

	High	Low	Latest	Chge	Opint
Dec 98	96.460	96.440	96.450	+0.010	497,590
Jan 99	96.660	96.650	96.650	+0.020	8,456
Feb 99	N.T.	N.T.	96.690	+0.020	0
Mar 99	96.775	96.740	96.755	+0.020	300,994
Jun 99	96.830	96.800	96.810	+0.015	289,814
Sep 99	96.840	96.805	96.810	+0.010	254,696
Dec 99	96.655	96.630	96.635	+0.015	197,761
Mar 00	96.770	96.745	96.750	+0.005	214,321
Jun 00	96.695	96.670	96.675	+0.010	144,844
Sep 00	96.595	96.570	96.575	+0.015	99,664

Est. sales: 154,674. Prev. sales: 198,378. Prev. open int.: 2,467,316 up 12,749

3-MONTH PIBOR (MATIF) FF5 million - pts of 100 pct

	High	Low	Latest	Chge	Opint
Dec 98	96.51	96.47	96.50	+0.03	56,207
Mar 99	96.79	96.73	96.75	+0.03	42,803
Jun 99	96.82	96.80	96.80	+0.02	24,968
Sep 99	96.82	96.80	96.81	+0.02	14,419
Dec 99	96.65	96.63	96.63	+0.03	11,845

Est. sales: 24,275. Open int.: 148,405 off 1,293

3-MONTH EUROLIRA (LIFFE) ITL 1 million - pts of 100 pct

	High	Low	Latest	Chge	Opint
Dec 98	96.420	96.400	96.410	Unch.	159,146
Mar 99	96.770	96.740	96.750	+0.020	254,996
Jun 99	96.830	96.800	96.800	+0.010	74,604
Sep 99	96.820	96.810	96.800	+0.020	45,830
Dec 99	96.640	96.640	96.650	+0.020	43,699
Mar 00	96.750	96.740	96.740	+0.030	49,212

Est. sales: 77,905. Prev. sales: 11,735. Prev. open int.: 478,184 up 1,252

LIBOR 1-MONTH (CMER) $3 million- pts of 100 pct.

	High	Low	Latest	Chge	Opint
Dec 98	94.63	94.50	94.52	-0.10	13,606
Jan 99	95.03	95.02	95.03	Unch.	6,624
Feb 99	95.09	95.08	95.09	Unch.	3,236

Est. sales N.A. Wed's sales 1,272. Wed's open int 26,639, up 375

EURODOLLARS (CMER) $1 million-pts of 100 pct.

	High	Low	Latest	Chge	Opint
Dec 98	94.78	94.76	94.77	Unch.	435,810
Jan 99	95.03	95.01	95.01	Unch.	13,592
Feb 99	95.08	95.07	95.07	Unch.	2,885
Mar 99	95.11	95.10	95.11	+0.01	501,138
Apr 99			95.10	+0.01	875
May 99			95.10	Unch.	15
Jun 99	95.10	95.08	95.10	+0.03	401,593
Sep 99	95.05	95.02	95.05	+0.04	330,222
Dec 99	94.79	94.76	94.77	+0.04	246,181
Mar 00	94.94	94.92	94.94	+0.03	202,895
Jun 00	94.89	94.88	94.88	+0.02	140,541
Sep 00	94.85	94.82	94.83	+0.02	110,824

Est. sales N.A. Wed's sales 203,670. Wed's open int 3,148,823, off 15,206

BRITISH POUND (CMER) 62,500 pounds, $ per pound

	High	Low	Latest	Chge	Opint
Dec 98	1.6604	1.6496	1.6524	-0.0066	51,222
Mar 99	1.6500	1.6450	1.6466	-0.0066	2,141
Jun 99			1.6420	-0.0062	1,228

Est. sales N.A. Wed's sales 4,477. Wed's open int 54,584, off 795

CANADIAN DOLLAR (CMER) 100,000 dollars, $ per Cdn. dlr

	High	Low	Latest	Chge	Opint
Dec 98	.6527	.6492	.6515	+0.0024	57,534
Mar 99	.6523	.6493	.6519	+0.0025	4,230
Jun 99	.6522	.6499	.6522	+0.0025	1,718

Est. sales N.A. Wed's sales 8,325. Wed's open int 64,407, up 983

GERMAN MARK (CMER) 125,000 marks, $ per mark

	High	Low	Latest	Chge	Opint
Dec 98	.5885	.5836	.5840	-0.0037	90,080
Mar 99	.5896	.5860	.5864	-0.0036	2,222
Jun 99			.5887	-0.0035	1,173

Est. sales N.A. Wed's sales 10,710. Wed's open int 93,401, off 1,535

JAPANESE YEN (CMER) 12.5 million yen, $ per 100 yen

	High	Low	Latest	Chge	Opint
Dec 98	.8210	.8120	.8141	-0.0091	75,875
Mar 99	.8280	.8238	.8248	-0.0091	5,905
Jun 99			.8345	-0.0091	2,344

Est. sales N.A. Wed's sales 12,471. Wed's open int 86,435, up 1,232

SWISS FRANC (CMER) 125,000 francs, $ per franc

	High	Low	Latest	Chge	Opint
Dec 98	.7129	.7077	.7085	-0.0034	46,597
Mar 99	.7185	.7140	.7147	-0.0036	2,489
Jun 99			.7204	-0.0034	19

Est. sales N.A. Wed's sales 5,400. Wed's open int 1, off 48,641

MEXICAN PESO (CMER) 500,000 pesos, $ per peso

	High	Low	Latest	Chge	Opint
Dec 98	.09950	.09880	.09912	-.00027	15,998
Mar 99	.09270	.09230	.09257	-.00047	6,563
Jun 99			.08772	-.00027	2,443

Est. sales N.A. Wed's sales 1,937. Wed's open int 25,694, off 217

Industrials

GASOIL (IPE) U.S. dollars per metric ton - lots of 100 tons

	High	Low	Latest	Chge	Opint
Dec 98	99.75	97.75	99.25	+1.00	45,018
Jan 99	104.00	101.75	103.75	+1.25	28,574
Feb 99	107.25	105.50	107.00	+0.75	21,064
Mar 99	108.50	107.75	109.00	+0.25	12,013
Apr 99	110.75	110.25	111.00	+0.25	8,433
May 99	113.00	112.50	113.25	+0.25	3,252

Est. sales: 13,500. Prev. sales: 13,043. Prev. open int.: 158,761 up 55

BRENT OIL (IPE) U.S. dollars per barrel - lots of 1,000 barrels

	High	Low	Latest	Chge	Opint
Jan 99	11.20	10.95	11.14	+0.14	85,481
Feb 99	11.47	11.20	11.40	+0.22	43,483
Mar 99	11.73	11.46	11.67	+0.23	27,083
Apr 99	11.99	11.73	11.94	+0.23	18,949
May 99	12.17	12.15	12.21	+0.23	12,717
Jun 99	12.52	12.28	12.48	+0.23	12,386
July 99	12.65	12.64	12.74	+0.23	5,892

Est. sales: 24,000. Prev. sales: 29,312. Prev. open int.: 266,573 up 77

Stock Indexes

SP COMP INDEX (CMER) 250 x index

	High	Low	Latest	Chge	Opint
Dec 98	1196.20	1190.10	1194.20	+8.10	398,084
Mar 99	1207.80	1202.80	1206.10	+8.30	27,123
Jun 99			1214.80	+8.20	4,764

Est. sales N.A. Wed's sales 66,086. Wed's open int 471,900, up 119

FTSE 100 (LIFFE) £25 per index point

	High	Low	Latest	Chge	Opint
Dec 98	5897.0	5792.0	5862.0	−22.0	190,447
Mar 99	5890.5	5865.0	5912.0	−22.0	22,886
Jun 99	N.T.	N.T.	5962.0	−22.0	16,980

Est. sales: 12,451. Prev. sales: 13,409. Prev. open int.: 224,323 up 349

CAC 40 (MATIF) FF200 per index point

	High	Low	Latest	Chge	Opint
Nov 98	3963.5	3878.0	3963.0	+45.0	117,388
Dec 98	3972.5	3887.5	3972.0	+45.0	173,229
Jun 99	N.T.	N.T.	3981.0	+45.0	3,805

Est. sales: 241,427. Open int.: 330,345 off 9,025

Commodity Indexes

	Close	Previous
Moody's	n.a.	1,173.00
Reuters	1,474.30	1,475.00
D.J. Futures	122.79	122.76
CRB/Bridge Futures	196.97	196.82

Sources: Matif, Associated Press, London Int'l Financial Futures Exchange, Int'l Petroleum Exchange.

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THE WORLD'S DAILY NEWSPAPER

VIAG to Buy Algroup In $8.7 Billion Deal

Compiled by Our Staff From Dispatches

ZURICH — VIAG AG, the third-biggest utility in Germany, agreed Friday to buy Alusuisse Lonza Group in a stock swap worth $8.7 billion. It marks the biggest takeover of a Swiss company by a foreign rival and creates a company with interests in energy, aluminum, chemicals, packaging and telecommunications.

Shareholders of the Swiss company, known as Algroup, will get 21.7 new shares for every share they own in a new company that has yet to be named. VIAG holders, which will own 65 percent of the new entity, will get 10 shares for every VIAG share.

The combined company, which will be dominated by VIAG executives, expects to see cost savings of 570 million Deutsche marks ($334.4 million) annually after three years. The deal will result in cutting about 2,500 jobs, or 2 percent of the companies' combined work force.

The new company will have its headquarters in Munich.

Algroup shares closed up 20 Swiss francs at 1,820 ($1,293) in Zurich, while VIAG shares fell 41.50 DM to 1,064.50 in Frankfurt.

The new company, which says it will have annual sales of $31 billion, will be as big as such European powerhouses as the engineering company ABB Asea Brown Boveri Ltd. While it will rank in Europe's top five in most of its businesses, investors were divided over whether it makes sense to create a 1970s-style conglomerate.

"There certainly are synergies, and Algroup shareholders get a good deal," said Markus Wissler, a fund manager at Coop Bank in Basel. "For VIAG, though, I would have preferred a concentration instead of this expansion."

Sergio Marchionne, chief executive of Algroup, said the deal offered a unique opportunity for his company to strengthen its aluminum, packaging and chemicals businesses.

"Our industrial operations are really a perfect fit," he said.

The deal was the latest in a string of European corporate consolidations, many involving German companies.

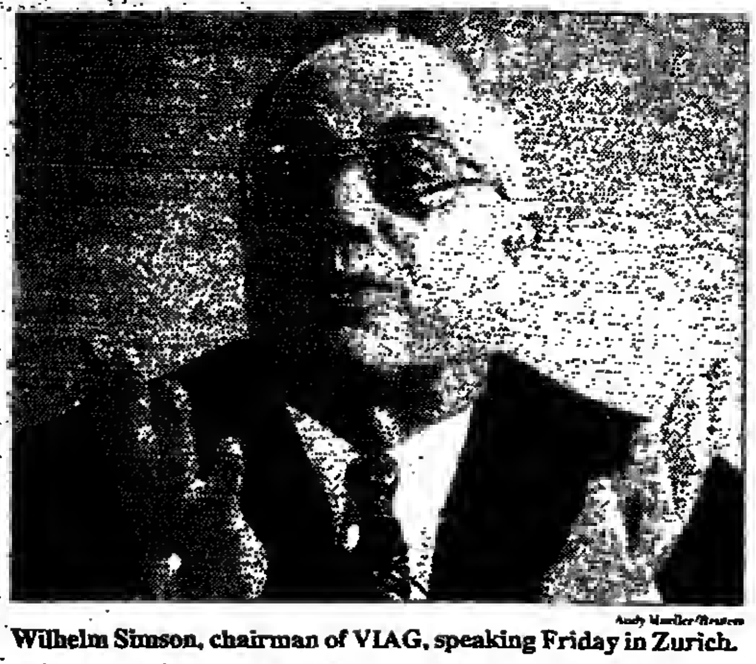
This week alone, Deutsche Bank AG said it was in talks to take over Bankers Trust Corp. of the United States, and the largest German drugmaker, Hoechst AG, announced it had entered into talks to combine its life-sciences business with Rhone-Poulenc SA of France.

VIAG and Algroup said they expected to complete the transaction by August. Algroup's main shareholders backed the transaction, the company said.

"We're convinced the new entity will create better value for Algroup shareholders," said the Swiss financier Martin Ebner, who owns 14.2 percent of Algroup shares. He will also be one of four Algroup board members on the 10-member board of the new firm.

Algroup, founded in 1888 and just emerging from a major reorganization, said last week it was in "cooperation talks" with VIAG, which was founded in 1923 and sold to investors 10 years ago.

(Bloomberg, AFP, Reuters)



Andy Mueller/Reuters

Wilhelm Simson, chairman of VIAG, speaking Friday in Zurich.

Rover Unions Agree to Loss Of 2,500 Jobs

Compiled by Our Staff From Dispatches

MUNICH — Rover Group, the unprofitable British unit of BMW AG, said Friday that it had reached an agreement with unions on cutting 2,500 jobs as it works to return Rover to profitability by 2000.

The agreement, which averts a threat by the No. 2 German carmaker to close Rover's Longbridge, Birmingham, plant, will also lead to more flexible work hours that can include night and weekend shifts. Those conditions are similar to ones for BMW's German workers.

BMW hopes to cut £150 million ($249.2 million) in costs annually at Rover and implement German work rules to beef up productivity, which lags BMW's by 30 percent. BMW set a deadline of the end of this month for Rover and its unions to reach an accord.

Tony Woodley, chief negotiator for the unions, said the plans were endorsed Friday in a meeting with more than 30 regional union officials.

"Stewards have unanimously backed it," Mr. Woodley said. "We believe that this deal, if accepted by members and the BMW board, is a good deal for the company and a good deal for the workers."

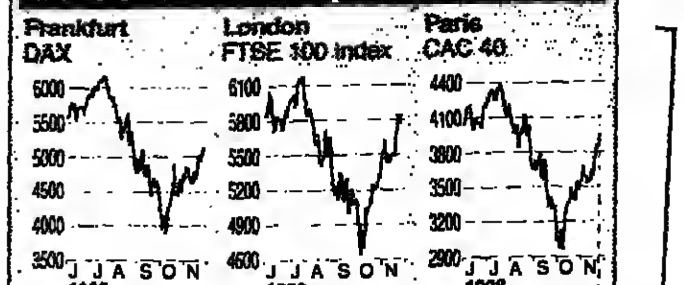
Business leaders in central England, where the factory is located, also were enthusiastic about the deal.

"We are delighted that there seems to have been an amicable settlement," said Roger Dickens, president of the Birmingham Chamber of Commerce and Industry. "We now look forward to confidence returning to manufacturing in the region."

BMW, which bought Rover in 1994, had said it planned to invest £1.5 billion in Rover following a settlement. But if no deal were reached, it had suggested that it would shift production of the next-generation Mini and of the Rover 200 and 400 models, to other plants.

Longbridge, which employs about 17,000 of Rover's 39,500 workers, is the largest of the company's three plants. The carmaker, which also makes Land Rover and Range Rover vehicles, posted a loss of 260 million Deutsche marks ($152.6 million) last year. *(Bloomberg, Reuters)*

Investor's Europe



Exchange	Index	Friday Close	Prev. Close	% Change
Amsterdam	AEX	1,135.60	1,134.60	+0.08
Brussels	BEL-20	3,313.16	3,294.20	+0.58
Frankfurt	DAX	5,121.48	5,051.63	+1.38
Copenhagen	Stock Market	671.29	667.95	+0.56
Helsinki	HEX General	5,000.22	4,915.94	+1.71
Oslo	OBX	517.91	515.41	+0.49
London	FTSE 100	5,844.20	5,827.90	+0.28
Madrid	Stock Exchange	862.10	853.88	+0.96
Milan	MIBTEL	22934	22744	+0.84
Paris	CAC 40	3,958.94	3,915.53	+0.90
Stockholm	SX 16	4,056.34	3,973.51	+2.08
Vienna	ATX	1,144.95	1,145.66	-0.06
Zurich	SPI	4,534.65	4,502.80	+0.71

Source: Telekurs — International Herald Tribune

Unemployment Eases in France

Compiled by Our Staff From Dispatches

PARIS — Unemployment in France fell to 11.6 percent in October from 11.7 percent, the Labor Ministry said Friday, the lowest level in three years.

The figure reflects a slow but steady improvement in the high joblessness rate, long one of France's knottiest problems. The October decline was largely the result of more jobs found by men aged 25 to 49, according to the Labor Ministry.

The drop in the jobless rate exceeded expectations. Many economists had said unemployment would be unchanged from September. According to the ministry and the unemployment agency ANPE, the number of job-seekers fell by 9,000, or 0.3 percent, to 2.945 million people. *(AP, Bloomberg)*

New Beetle Hits European Roads

Bloomberg News

WOLFSBURG, Germany — Volkswagen AG began selling its New Beetle in Europe on Friday, nine months after its U.S. introduction, with hopes that the wave of "Beetlemania" that engulfed the American public this year will spill into its home market.

The bubble-shaped New Beetle, the first full redesign of the world's best-selling car in 60 years, was aimed at spearheading Volkswagen's renaissance in the United States by increasing the number of showroom visitors and helping the sale of other models such as the Passat and Jetta sedans. Spurred by the introduction of the New Beetle, U.S. sales jumped 65 percent in the first 10 months of 1998.

Initial European reactions to the car indicate it may generate the same kind of interest it has been getting in the United States. Waiting lists already stretch more than six months as the company's European advertising campaign gets under way.

"You couldn't go out in a Ferrari and get more heads turning," said Brian Burrows, a London-based designer of music album covers who paid a hefty premium to become the first man in Britain to own a New Beetle. Mr. Burrows imported his cars from Canada in April, 12 months before the planned official introduction of the New Beetle in Britain.

The car will go on sale in France and other European countries from January next year and arrive in Britain in April.

It is unlikely, though, that it will have the same impact on Volkswagen sales in Europe as it did in the United States, with only 80,000 being produced for the European market. Volkswagen is already the largest carmaker in Europe, selling 2.3 million units last year.

The New Beetle cost more than $500 million to develop and comes with anti-lock brakes, air bags installed in the front and sides as well as electronic stabilizing equipment as standard. The predecessor to the New Beetle was famous for its faulty heating system and spartan interior.

■ Major Investment Planned

Volkswagen said Friday it would spend 61.5 billion Deutsche marks ($36.08 billion) on improving its production facilities and developing new models over the next five years, Bloomberg reported.

The investment will be used to develop and build a new luxury model, a sports-utility vehicle in a joint venture with Porsche AG, a smaller Bentley and other models between 1999 and 2003.

Very briefly:

- **Deutsche Telekom AG** withdrew its proposal to charge competitors 47.26 Deutsche marks ($27.73) a month to use its local phone connections, three days before the German telephone regulator was scheduled to rule on the proposal.
- **Psion PLC** named David Levin as chief executive of the British maker of palm computers. He will join the company Feb. 22 and will help develop Psion's venture with **Ericsson AB**, **Nokia Group** and **Motorola Inc.** to make "smart" phones.
- **The European Commission**, in an annual report detailing a long list of alleged U.S. trade barriers, including unilateral sanctions and customs formalities, voiced special concern about state and local laws targeting non-U.S. companies for doing business with countries like Burma.
- **DaimlerChrysler AG** will reduce its European-wide vehicle parts distribution centers to eight from 21 within two years in an efficiency drive.
- **Azerbaijani International Operating Co.** will delay an $8 billion development of an offshore oil field in the Caspian Sea by at least six months and may delay a decision on a pipeline for the field because of low oil prices.
- **Lasmo PLC** plans to dismiss a quarter of its work force and cut costs in 1999 to counter the effect of low oil prices.
- **SEB**, a Swedish commercial bank, said it would pay 450 million kronor ($55.5 million) for a 32 percent stake in the Lithuanian bank Vilniaus.
- **Swiss World Airways** will have to file for bankruptcy if it does not get a cash infusion of just over $2 million by next week, according to the board chairman, Philippe Rochat.
- **Europe's** eight largest stock exchanges agreed at a meeting in Paris to lay the groundwork for possible cooperation. They also set a timetable for further meetings. *Bloomberg, Reuters*

WORLD STOCK MARKETS

Friday, Nov. 27

Daily prices in local currencies. Telekurs

Amsterdam
www.aex.nl — AEX index: 1135.60 Previous: 1134.60

	High	Low	Close	Prev.
ABN-AMRO	41.00	40.10	40.80	41.80
Aegon	206.90	200.40	205.30	204.50
Ahold	68.40	66.80	67.90	67.10
Akzo Nobel	84.90	80.00	80.10	83.00
ASM Litho.	57.90	56.50	57.70	57.70
ASR Verz.	159.50	155.00	155.00	155.50
Baan Co.	24.60	23.10	24.50	22.50
Bols Wess cvo	25.60	24.50	25.50	25.20
Buhrmann	32.60	31.20	31.80	32.60
Cap Gemini	137.00	136.00	136.80	136.50
CSM cvo	105.00	100.50	105.00	99.00
Dordtsche Pet	84.40	82.80	83.60	83.90
DSM	181.50	179.90	180.80	180.20
Elsevier	27.00	26.10	26.30	26.90
Fortis Amev	140.70	136.90	140.20	137.00
Getronics	85.00	83.60	84.10	84.20
Hagemeyer	71.30	68.20	70.70	68.00
Heineken	106.50	103.00	103.10	103.70
Hoogovens cva	60.90	58.50	60.90	58.90
Hunt Douglas	68.30	60.50	64.50	64.10
IHC Caland	79.50	78.30	79.00	78.10
ING Group	117.00	114.50	115.80	116.30
KLM	61.20	36.00	37.90	59.80
KPN	85.60	82.00	85.60	84.00
Nedlloyd	36.50	26.00	26.30	26.40
Numico	84.80	80.70	83.30	82.10
Oce	69.50	66.60	66.80	68.30
Philips Elec	129.80	123.50	126.80	125.20
Polygram	114.20	114.10	114.10	114.10
Randstad Hdg	102.90	100.50	102.50	103.40
Robeco	221.00	219.10	220.00	219.40
Rodamco	46.10	45.80	46.00	45.80
Rolinco	188.80	188.50	188.80	188.80
Rorento	131.00	130.60	130.70	131.10
Royal Dutch	94.60	93.30	93.90	93.90
TNT Post Group	50.90	49.40	50.40	50.30
Unilever cva	155.90	153.40	154.90	154.90
Vendex	46.30	45.30	45.50	45.30
VNU	68.80	67.60	67.70	68.50
Wolters Kl cva	387.30	375.00	382.00	384.90

Athens
www.ase.gr — Composite index: 2478.37 Previous: 2455.16

	High	Low	Close	Prev.
Commercial Bk	26800	25900	26800	26205
Ergo Bk	27700	26055	26800	26600
Hellenic Bottlg	7700	7500	7600	7510
Hellenic Telecom	7100	6960	7005	7055
Heracles Cement	7590	7300	7540	7250
Natl Bank	51800	49500	50285	49900
Titan Cement	20495	19855	20400	19850

Bangkok
www.set.or.th — SET index: 373.89 Previous: 382.50

	High	Low	Close	Prev.
Adv Info Svc	224.00	216.00	220.00	216.00
Bangkok Bk F	72.00	68.50	70.00	74.00
BEC World	224.00	220.00	222.00	224.00
Delta Electron.	191.00	187.00	188.00	193.00
Elec. Gener. F	99.50	97.00	97.00	99.00
Krung Thai Bk	22.50	21.25	21.75	22.75
PTT Explor F	300.00	286.00	294.00	300.00
Siam Cement F	792.00	768.00	776.00	768.00
Telecomasia F	17.00	16.25	16.25	17.00
Thai Airways	52.80	46.50	44.75	50.50
Thai Farm Bk F	66.50	61.50	64.00	68.00

Bombay
www.bse-india.com — Sensex 30 index: 2793.18 Previous: 2823.88

	High	Low	Close	Prev.
Bajaj Auto	538.00	530.00	533.00	536.50
Bharat Hvy El	237.00	232.60	229.70	235.50
Bharat Petm	252.50	243.10	247.80	253.20
Hindust Lever	1585.25	1560.00	1567.80	1585.25
Hindust Petm	256.50	248.70	249.60	256.50
Ind Dev Bk	36.70	34.50	35.35	36.90
ITC	685.50	674.00	681.25	684.75
Larsen Toubro	145.80	141.50	142.70	145.10
Mahanagar Tel	177.90	170.50	172.50	176.40
Reliance Ind	113.90	110.80	111.70	113.40
State Bk India	152.50	149.00	150.80	151.00
Tata Eng Loco	122.30	113.30	115.20	120.40

Brussels
www.stockexchange.be — BEL-20 index: 3313.14 Previous: 3294.30

	High	Low	Close	Prev.
Almanij	2895	2860	2855	2835
Cobepa	2770	2705	2740	2740
Delhaize Lion	2940	2880	2915	2940
Dexia Belgium	5960	5850	5960	5900
Electrabel	13500	13100	13500	13000
Electrafina	4630	4530	4600	4500
Fortis AG	11150	10900	11100	11075
GBL	6700	6520	6570	6600
Gen Banque	13300	13100	13100	13300
KBC Bancassur	2580	2550	2570	2570
Petrofina	14425	14000	14250	13700
Royale Belge	5800	5800	5800	5600
Soc Gen Belg	3350	3285	3265	3290
Solvay	2500	2440	2495	2455
Tractebel	5930	5830	5860	5800
UCB	203400	198500	201000	203500

Buenos Aires
www.bcba.sba.com.ar — Merval index: 519.32 Previous: 519.32

Thursday, Nov. 26

	High	Low	Close	Prev.
Banco Frances	8.43	8.40	8.40	8.40
Bco Galicia BA	5.75	5.58	5.60	5.60
Perez Companc	5.60	5.46	5.56	5.56
Renault Arg	1.73	1.68	1.68	1.68
Siderar A	3.10	3.07	3.08	3.08
Siderca	1.55	1.54	1.55	1.55
Telecom Arg B	6.45	6.41	6.41	6.41
Telefonica B	3.43	3.40	3.43	3.43
YPF D	30.40	30.25	30.27	30.27

Copenhagen
www.xcse.dk — Stock index: 671.29 Previous: 667.95

	High	Low	Close	Prev.
Carlsberg B	375	370	375	375
Danisco	340	335	339	340
Den Danske Bk	876	850	845	855.35
D/S Svendborg B	63000	61500	63000	63000
DS 1912 B	46000	44000	44500	44500
Kobenh Hldg	361.80	360.90	360	360.90
Novo Nordisk B	750.75	729.26	745	750
Rofil B	1250	1127.50	1250	1200
Tele Danmk B	729.82	720	725	722
Unidanmark A	540	539	532	517

Frankfurt
www.exchange.de — DAX: 5121.48 Previous: 5051.63

	High	Low	Close	Prev.
AMB R	260.00	253.00	260.00	256.00
Adidas	187.00	184.00	187.00	186.50
Allianz	621.00	606.00	621.00	605.00
Altana	119.80	114.50	114.50	118.35
Audi	1475.00	1475.00	1465.00	1425.00
Avo Colonia	206.00	202.50	205.00	206.00
Bk Berlin	29.15	28.85	29.10	29.00
BASF	66.20	65.10	65.75	65.90
Bayer	72.00	69.90	72.00	70.45
Bay Hypo Verbk	149.50	144.00	148.50	144.50
Beiersdorf	105.00	102.00	104.80	101.00
Bewag	94.00	92.00	94.00	92.50
BHW Holding	28.10	28.00	28.08	28.00
BMW	1340.00	1285.00	1340.00	1280.00
Commerzbank	56.00	54.80	56.00	55.50
Daimler Benz	164.00	161.00	162.50	162.00
DaimlerChrysler	161.70	158.40	160.50	159.30
Degussa	82.50	80.75	81.20	81.00
Deutsche Bank	108.10	104.20	105.95	104.60
Deut Telekom	50.08	48.00	50.00	48.60
Dresdner Bank	79.80	74.50	78.80	73.70
Energie BW	68.00	68.00	68.00	65.08
Ergo Vers.	274.00	268.00	270.00	270.00
Fresenius	300.00	293.00	297.00	291.50
Fresenius Med	105.50	104.50	104.55	104.00
Fr. Krupp Hoes	227.00	222.50	225.00	227.00
Gehe	172.00	168.50	168.50	172.00
Heidelbg Zmt	123.00	123.00	123.00	127.00
Henkel pfd	146.00	139.00	144.00	139.50
Hochtief	75.60	71.70	74.35	75.60
Karstadt	810.00	797.00	810.00	804.00
Lahmeyer	84.00	81.50	82.25	84.50
Linde	982.00	965.00	965.00	973.00
Lufthansa R	37.10	36.10	37.00	36.20
MAN	519.00	505.00	507.00	517.00
Mannesmann	189.00	184.00	188.25	188.00
Metallgesellschaft	27.95	26.80	26.90	27.60
Metro	109.50	106.70	107.75	108.60
Muench Rueck R	797.00	776.00	790.00	780.00
Preussag	653.00	624.00	640.80	646.00
RWE	91.40	88.50	91.40	89.00
RWE-DEA	475.00	475.00	470.00	474.50
SAP	800.00	788.00	797.00	791.00
Schering	214.75	211.00	212.25	214.70
Siemens	119.95	118.30	119.95	118.85
Springer (Axel)	1240.00	1240.00	1240.00	1220.00
Thyssen	308.80	300.00	305.00	306.10
Veba	97.50	92.50	97.00	93.30
VEW	499.00	499.00	500.00	510.00
Viag	1116.00	1061.00	1064.50	1086.00
Volkswagen	142.00	138.00	140.50	140.50
WuertHyp. Vers.	2737.00	2720.00	2737.00	2727.00

Helsinki
www.hse.fi — HEX General index: 5000.22 Previous: 4915.94

	High	Low	Close	Prev.
Cultor 2	50.00	48.50	48.50	48.00
Enso R	46.30	45.60	46.30	46.00
Huhtamaki I	186.00	183.50	186.00	181.00
Merita/Nordbkn	31.20	29.60	30.80	30.30
Metra B	96.00	92.50	95.00	92.50
Nokia A	525.00	513.00	521.50	517.00
Orion-Yhtymae	119.20	117.10	117.20	120.00
Outokumpu	50.50	48.50	50.40	48.50
Pohjola Ins. B	240.00	239.00	242.00	237.00
Raisio V	64.50	61.10	66.50	61.00
Sampo Ins. A	181.00	174.80	179.00	175.00
UPM Kymmene	139.90	137.50	139.50	138.00

Hong Kong
www.sehk.com.hk — Hang Seng: 10743.37 Previous: 10778.92

	High	Low	Close	Prev.
Amoy Props	5.80	5.65	5.75	5.60
Bk East Asia	15.40	14.95	15.18	15.20
Beijing Ent.	13.10	12.60	12.75	13.00
Cathay Pacific	8.25	8.00	8.10	8.10
Cheung Kong	58.75	57.75	58.50	58.50
CK Infrastruct	19.30	18.30	18.90	19.25
China Merchant	5.55	5.35	5.40	5.55
China Overs	1.43	1.38	1.41	1.42
China Resource	12.50	12.10	12.30	12.40
CLP Holdings	41.20	40.60	41.10	40.50
Citic Ka Wah Bk	2.88	2.83	2.85	2.85
Citic Pacific	19.25	18.40	18.85	19.00
Cosco Pacific	3.83	3.67	3.73	3.83
Dao Heng Bk	22.40	21.25	22.30	21.55
Hang Lung Dev	9.05	8.85	8.85	9.05
Hang Seng Bk	78.75	49.50	78.00	78.00
Henderson Inv	5.30	5.10	5.20	5.30
Henderson Ld	41.50	40.40	40.95	41.50
HK China Gas	10.85	10.40	10.55	10.75
HK Electric	26.55	26.05	26.15	26.00
HK Telecomm	15.10	14.70	14.90	14.70
HSBC Hdgs	205.00	201.00	203.00	204.00
Hutchison Wh	59.50	57.50	58.50	58.75
Hysan Dev.	12.35	12.00	12.25	12.35
Johnson El Hdg	18.30	14.90	18.05	16.75
Natl Mutual	5.40	5.20	5.40	5.45
New World Dev.	20.40	19.85	19.95	20.35
New World Infr.	12.35	12.00	12.10	12.30
Shanghai Ind.	17.00	16.60	16.75	16.90
Shangri-La Asia	7.10	6.90	7.05	7.05
SHK Props	59.00	57.25	57.50	58.25
Sino Land Co.	4.15	4.00	4.08	4.10
Swire Pac A	34.90	34.30	34.50	34.70
Wharf Hdgs	13.60	13.20	13.35	13.50
Wheelock	7.85	7.60	7.65	7.75
Yue Yuen Ind.	14.05	14.85	15.05	15.95

Istanbul
www.ise.org — National 100 index: 2484.52 Previous: 2444.12

	High	Low	Close	Prev.
Akbank	6800	6000	6300	6000
Anadolu Isuzu	7300	6700	6800	6700
Haci Omer Sab	5600	5200	5400	5200
KOC Holding	28500	27000	28500	27500
Tupras	14250	13300	13750	13750
Turk Hava	15250	14500	14750	14750
Turk Borusan	9000	8500	8400	8600

Jakarta
www.jsx.co.id — Composite index: 392.20 Previous: 394.09

	High	Low	Close	Prev.
Astra Intl	1075	1050	1050	1025
Gudang Garm	10100	9650	10100	9650
Indah Kiat	2825	2775	2800	2850
Indocement	2700	2475	2500	2700
Indofood	3925	3600	3650	3950
Indorama Syn	1075	1025	1075	1025
Indosat	11300	10800	10900	11150
Sampoerna HM	4950	4850	4900	4850
Semen Gresik	8250	8100	8200	8000
Telekomunikasi	2750	2700	2725	2725
Tambang Perk	2975	2975	2975	2950
Timah	6200	6100	6100	6100

Johannesburg
www.jse.co.za — All Market: 5455.74 Previous: 5706.27

	High	Low	Close	Prev.
ABSA Group	27.90	27.25	27.60	27.60
AngloAm Corp	181.80	180.00	181.60	181.00
AngloAm Ind	102.00	101.40	102.00	103.00
AngloAm Plat	93.40	91.70	91.70	93.00
Barlow	27.60	27.20	27.60	27.25
Bidvest Grp	43.90	43.40	43.90	43.75
Billiton	12.30	12.00	12.10	12.15
BOE	4.64	4.53	4.60	4.48
Comparex Hldgs	56.70	54.00	54.00	57.20
Coronation N	83.40	83.00	83.00	84.00
De Beers	86.00	84.30	86.00	85.00
Dimension Data	22.40	21.75	21.75	22.50
Fedsure Hldgs	42.90	42.90	42.55	42.75
FirstRand	7.25	7.13	7.18	7.24
Genbel Sec	30.00	29.45	29.90	29.75
Imperial Hldgs	39.20	36.50	38.00	39.20
Investec Hldgs	199.00	198.00	198.00	200.00
Johnnies Indl	32.50	31.00	30.80	32.80
Liberty Hldgs	243.00	240.00	240.00	242.00
Liberty Life	98.90	96.40	97.00	97.10
LibLife Strat	12.00	11.75	11.85	12.00
Mut Life	8.95	8.70	8.75	8.95
Minorco	94.50	94.00	94.00	94.10
Nampak	9.00	8.85	8.85	8.85
Nedcor	128.40	119.20	119.00	120.00
Primedia Uts	17.00	16.50	16.75	17.80
Rembrandt Gp	38.30	36.50	24.90	28.30
Richemont	80.50	76.00	79.50	77.10
SA Breweries	98.50	97.30	97.40	99.00
Sasol	24.50	23.00	23.10	24.50
SBIC	15.00	14.40	14.70	15.00
Smith (C.G.)	14.55	14.45	14.50	14.30
Tiger Oats	62.00	61.00	62.00	62.40

Kuala Lumpur
www.klse.com.my — Composite: 483.38 Previous: 496.49

	High	Low	Close	Prev.
Berjaya Sports	4.30	4.10	4.24	4.10
Genting	7.90	7.85	7.90	7.85
Golden Hope	3.16	3.08	3.10	3.20
KL Kepong	5.38	5.25	5.30	5.35
Magnum	1.51	1.45	1.00	1.20
Mal Banking	6.05	5.80	5.95	6.05
Mal Intl Ship F	4.42	4.34	4.38	4.38
Petronas Gas	7.80	7.40	7.40	7.80
Public Bk F	1.65	1.58	1.63	1.58
Resorts World	4.10	3.90	4.00	3.98
RHB Capital	2.10	2.00	2.06	2.04
Rothmans PM	19.00	19.60	19.70	19.00
Sime Darby	3.56	3.44	3.54	3.56
Telekom Mal	7.80	7.45	7.60	7.60
Tenaga	5.15	5.00	5.15	5.18
YTL	4.40	4.12	4.36	4.20
YTL Power	3.18	3.08	3.10	3.20

London
www.stockex.co.uk — FT-SE 100: 5844.20 Previous: 5827.90

	High	Low	Close	Prev.
Abbey Natl	12.46	12.40	12.50	12.70
Alliance Leic	9.19	8.90	9.02	9.06
Allied Domecq	5.28	5.16	5.22	5.27
Allied Zurich	8.79	8.37	8.56	8.46
Arjowiggins	5.05	4.80	5.05	4.84
Anglian Water	8.88	8.43	8.70	8.79
ASDA Group	1.65	1.57	1.62	1.58
Assoc Br Foods	6.25	6.01	6.15	6.20
BAA	6.97	6.20	6.74	6.65
Bank Scotland	7.04	6.50	6.95	6.71
Barclays	13.56	12.94	13.78	14.84
Bass	8.94	8.40	8.77	8.50
BritAm Tobacco	5.49	5.34	5.43	5.57
BG	4.33	4.25	4.27	4.29
Billiton	1.30	1.29	1.29	1.31
Blue Circle	3.20	3.05	3.14	3.13
BOC Group	9.05	8.55	8.99	8.75
Boots	10.12	9.84	9.98	9.95
Britannic	12.35	12.10	12.25	12.47
Brit Aerosp	5.36	4.97	5.26	5.04
Brit Airways	4.26	4.09	4.22	4.24
Brit Energy	6.77	6.50	6.68	6.46
Brit Land	5.28	5.16	5.17	5.20
Brit Petm	9.61	9.46	9.51	9.53
Brit Steel	1.10	1.00	1.04	1.01
Brit Telecom	8.90	8.54	8.67	8.74
BSkyB	5.13	5.00	5.08	5.01
BTR	1.30	1.24	1.27	1.25
Burmah Castrol	8.98	8.70	8.82	8.85
Cable Wireless	7.99	7.40	7.83	7.57
CW Comms	5.43	5.27	5.33	5.22
Cadbury Schw	9.10	7.91	9.00	9.05
Carlton Comm	4.71	4.44	4.46	4.47
Centrica	1.24	1.19	1.24	1.21
CGU	10.05	9.78	10.80	10.00
Compass Group	6.55	6.38	6.53	6.28
Daily Mail A	27.30	26.40	27.30	26.50
Diageo	7.04	6.92	6.98	6.90
Dixons Group	7.30	7.24	7.24	7.22
EMAP	11.78	11.00	11.73	11.72
EMI Group	3.58	3.45	3.48	3.45
Enterprise Oil	3.79	3.56	3.50	3.38
Gallaher Group	4.35	4.20	4.31	4.33
GEC	5.12	4.93	5.05	5.04
GKN	6.98	6.69	6.74	6.90
Glaxo Wellcome	19.98	19.13	19.47	19.59
Granada Group	9.45	9.21	9.30	9.32
GRE	2.43	2.30	2.35	2.38
GUS	6.36	6.15	6.20	6.17
Hays	8.70	8.29	8.55	8.45
Hillsdown	5.51	5.08	5.30	5.37
HSBC Hdgs	15.90	15.16	15.70	15.98
HSBC Hdgs 75p	14.85	16.45	16.72	17.02
ICI	5.98	5.70	5.78	5.92
Impl Tobacco	6.52	6.42	6.47	6.52
Kingfisher	5.56	5.38	5.41	5.48
Ladbroke	2.45	2.34	2.39	2.46
Land Sec	8.30	8.00	8.21	8.21
Lasmo	1.55	1.38	1.40	1.45
Legal Genl Grp	7.55	7.35	7.50	7.36
Lloyds TSB Grp	8.79	8.40	8.54	8.59
LucasVarity	2.15	2.04	2.07	2.04
Marks Spencer	4.29	4.12	4.25	4.21
MEPC	4.15	4.01	4.08	4.06
Misys	4.71	4.30	4.50	4.44
National Grid	4.77	4.64	4.76	4.71
National Power	5.53	5.22	5.25	5.40
NatWest	11.33	10.65	11.26	11.37
Next	5.05	4.96	5.00	5.01
Northern Rock	5.92	5.74	5.85	5.80
Norwich Union	5.37	4.28	4.35	4.40
Nycomed Amer	4.08	3.93	4.02	4.04
Orange	6.21	5.96	6.06	6.08
P&O	7.45	7.40	7.52	7.58
Pearson	11.67	10.94	11.41	11.53
PowerGen	8.67	8.29	8.54	8.50
Provident Fin	9.35	9.04	9.20	9.45
Prudential	9.00	8.70	8.80	8.84
Railtrack Group	16.62	14.34	16.51	16.54
Rank Group	2.42	2.30	2.39	2.40
Reckitt Colman	8.70	8.47	8.52	8.50
Reed Intl	5.00	4.85	4.88	5.00
Rentokil Initial	4.15	3.70	4.12	3.93
Reuters Group	5.98	5.85	5.92	5.94
Rio Tinto R	7.49	7.25	7.32	7.43
RMC Group	7.97	7.20	7.80	7.90
Rolls Royce	2.48	2.43	2.46	2.45
Royal Bk Scot	9.75	9.15	9.57	9.42
Royal & Sun All	5.28	5.00	5.00	5.11
Safeway	3.07	2.98	3.04	3.03
Sainsbury	5.20	5.05	5.14	5.15
Schroders	12.45	13.00	13.33	12.40
Scot Newcastle	7.57	7.40	7.52	7.45
Scot Power	6.50	6.43	6.55	6.48
SEMA Group	5.30	4.90	5.02	4.98
Severn Trent	10.75	10.40	10.54	10.58
Shell Transp R	3.77	3.65	3.68	3.68
Siebe	2.23	2.13	2.20	2.20
SmithKline	7.56	7.32	7.48	7.44
Smiths Ind	8.78	8.50	8.78	8.54
Sthrn Elec	7.15	6.96	7.10	7.16
Stand Charter	6.81	6.48	6.68	6.98
Sun Life Prov	5.54	5.26	5.37	5.51
Tate & Lyle	4.12	3.70	3.85	4.00
Tesco	1.83	1.77	1.78	1.78
Thames Water	12.08	11.85	11.90	12.05
3i Group	5.88	5.68	5.75	5.80
TI Group	3.60	3.42	3.53	3.54
Tomkins	2.86	2.69	2.77	2.77
Unilever	6.46	6.34	6.40	6.36
Utd News	4.21	4.02	4.12	4.21
Utd Utilities	9.08	8.50	8.87	9.00
Vodafone	25.47	8.84	8.99	9.01
Whitbread	8.38	8.03	8.22	8.15
Williams Hdgs	3.80	3.47	3.72	3.80
Wolseley	4.00	3.78	3.89	3.87
Woolwich	3.90	3.42	3.84	3.75
WPP Group	3.61	3.35	3.50	3.40
Zeneca	25.90	25.00	25.50	25.63

Madrid
www.bolsamadrid.es — Bolsa index: 842.10 Previous: 853.88

	High	Low	Close	Prev.
ACESA	2225	2190	2215	2215
Aguas Barcelon	8320	8160	8300	8270
Argentaria	3520	3460	3505	3495
BBV	2385	2320	2365	2360
Banesto	1955	1905	1945	1950
Bankinter	5350	5120	5340	5200
Bco Centro Hisp	1715	1615	1690	1635
Bco Popular	10950	10720	10730	10930
Bco Santander	3050	2985	3035	2935
Catalana Occid	3950	3860	3880	3900
CEPSA	5080	5030	5050	5080
Continente	4700	4530	4670	4635
Corp Mapfre	3940	3630	3900	3665
Endesa	3910	3840	3900	3890
FECSA	1685	1650	1675	1680
Fom Constr	8760	8410	8700	8620
Gas Natural	12550	11950	12510	12220
Grupo Acciona	47000	45750	46000	46000
Iberdrola	2460	2435	2440	2440
Pryca	3585	3320	3520	3430
Repsol	8270	8030	8220	8070
Sevillana Electr	2115	2080	2110	2170
Tabacalera	3610	3495	3595	3505
Telefonica	6950	6760	6930	6850
Union Fenosa	2205	2145	2200	2170
Valenc Cement	2960	2875	2955	2965

Manila
www.pse.com.ph — PSE index: 1975.36 Previous: 1938.93

	High	Low	Close	Prev.
Ayala	12.75	12.25	12.50	12.50
Ayala Land	12.25	11.50	12.25	11.75
Bk Philip Isl	87.50	85.50	86.00	87.50
Manila Elec A	79.50	79.00	79.00	80.00
Manila Elec B	128.00	124.00	126.00	126.00
Metro Bank	277.50	272.50	277.50	277.50
Petron	4.85	4.70	4.85	4.75
Phil Long Dist	1035.00	1000.00	1030.00	1000.00
San Miguel A	43.00	41.00	43.00	41.00
San Miguel B	69.50	64.00	69.00	65.00
SM Prime Hdg	7.40	7.10	7.40	7.10

Mexico
www.bmv.com.mx — Bolsa index: 4087.20 Previous: 4025.66

	High	Low	Close	Prev.
Alfa A	27.30	27.00	27.00	27.30
Banacci B	13.60	13.12	13.16	13.12
Bancomer B	2.05	1.96	1.97	1.99
Bimbo A	17.02	16.98	17.00	17.00
Carso A1	34.65	34.25	34.50	34.30
Carso Gl Tel A1	27.90	26.90	26.90	27.90
Cemex CPO	25.80	25.65	25.75	25.60
Cifra C	13.12	13.10	13.12	13.12
Inbursa B	19.50	19.40	19.40	19.76
KimClark Mex A	29.45	28.90	28.95	29.45
Televisa CPO	134.60	134.50	134.60	138.10
TelMex L	24.55	24.40	24.45	24.40

Late trading

Milan
www.borsaitalia.it — MIB Telematico: 22934.00 Previous: 22744.00

	High	Low	Close	Prev.
Alleanza Assic	23800	22650	23750	23300
Bca Comm Ital	11800	11520	11650	11620
Bca Fideuram	10350	9950	10215	10170
Bca Intesa	9790	9510	9645	9490
Bca Pop Verona	161000	156500	159000	158100
Bca di Roma	3000	2875	3006	2980
Benetton	3270	3130	3200	3190
Comit	1416	1386	1393	1405
Edison	17290	16810	17290	17210
ENI	10840	10335	10670	10440
Fiat	5635	5425	5600	5590
Fondiaria Assic	9390	9120	9300	9290
Generali Assic	64900	63700	64600	63800
IFIL risp	4660	4515	4600	4690
INA	4390	4160	4360	4300
Italgas	8458	7965	8430	8610
Mediaset	12260	12100	12175	12200
Mediobanca	21500	20700	21350	21100
Montedison	2095	2010	2090	2044
Olivetti	4595	4220	4425	4260
Parmalat	3400	2185	2345	3195
Pirelli	5490	5315	5450	5430
RAS	23500	22600	23400	23050
Rolo Banca	41000	39300	40800	40800
S Paolo-IMI	28250	27750	28000	28200
Telecom Italia	13995	13630	13920	13955
TIM	11680	11365	11555	11700
Unicredito Ital	9900	9490	9590	9650

Montreal
www.me.org — Industrials index: 3489.64 Previous: 3503.64

	High	Low	Close	Prev.
BCE Mob Com	38.25	38.00	38.00	37.75
Biochem Pharm	36.10	35.05	35.60	35.60
Cdn Util A	46.40	44.20	46.40	46.15
CT Finl Svc	55.50	54.50	54.50	57.00
Gt-West Lifeco	26.00	25.80	25.80	26.00
Imasco	30.75	30.40	30.40	30.80
Investors Grp	24.25	24.10	24.10	24.25
Loblaw Cos	34.50	33.55	34.50	33.65
Natl Bk Canada	24.60	24.05	24.15	24.60
Power Corp	34.85	34.40	34.85	34.85
Power Finl	34.95	34.40	34.80	34.95

Late trading

Oslo
www.ose.no — OBX index: 517.91 Previous: 515.41

	High	Low	Close	Prev.
Aker A	81.00	80.00	80.00	83.00
Aker Maritime	58.00	56.50	57.00	56.50
Bergesen Dy A	90.00	89.00	89.00	90.00
Christiania Bk	27.70	27.10	27.00	27.40
Den norske Bk	29.00	28.00	29.00	28.10
Kvaerner	115.00	113.00	114.00	114.00
Netcom	195.00	180.00	192.00	215.50
Norsk Hydro	282.00	273.00	280.00	279.00
Norske Skog A	211.00	209.00	211.00	209.00
Nycomed Amer	49.90	49.00	49.50	49.90
Orkla A	130.00	121.00	127.00	121.00
Petm GeoSvc	124.00	117.00	119.00	117.00
Saga Petm A	82.00	79.00	82.00	80.00
Schibsted	84.00	82.00	84.00	84.00
Storebrand	57.00	55.50	56.00	56.00

Paris
www.bourse-de-paris.fr — CAC-40: 3958.94 Previous: 3915.53

	High	Low	Close	Prev.
Accor	1282	1236	1282	1260
AGF	340.50	335.60	336	338.70
Air Liquide	995	980	995	1000
Alcatel Alsth	752	724	746	726
Alstom	144.80	140.50	142	141.90
Axa	756	727	750	731
BIC	370	354.20	363	370
BNP	470	436.50	465.10	439.00
Bouygues	1152	1113	1143	1148
Canal Plus	1368	1355	1360	1344
Cap Gemini	900	875	888	904
Carrefour	4188	4084	4170	4212
Casino	548	536	546	544
CCF	494	473	494	476
Christian Dior	635	611	628	634
Danone	1719	1676	1719	1690
Dassault Sys	230	216.80	230	222
Dexia France	894	867	880	877
Elf-Aquitaine	744	722	740	724
Eridania BS	1075	1014	1047	1022
Essilor Intl	2302	2272	2280	2280
Eurodisney	8.25	8.10	8.10	8.15
Eurotunnel	7.35	7.20	7.35	7.30
France Telecom	419	403.20	410	412
Lafarge	567	546	549	560
Lagardere	239.40	226.50	239.40	232
Legrand	1654	1550	1645	1569
L'Oreal	3668	3538	3668	3666
LVMH	1147	1106	1145	1152
Michelin B	248	239.30	246.70	239
Paribas A	515	500	514	513
Pechiney A	191	187.20	188	189
Pernod Ricard	399.90	389	399.90	396
Peugeot Cit	951	915	950	915
Pinault-Print	984	967	980	980
Promodes	3797	3620	3786	3650
Renault	267	241.90	266	247.90
Rexel	512	498	510	496
Rh-Poulenc A	296	284	293	287
Sanofi	1049	1016	1049	1047
Schneider	372	362.20	372	370.20
STMicroelec	411.90	396.10	407.80	412
Ste Generale A	949	926	939	940
Sodexho Allianc	1110	1087	1095	1098
St Gobain	882	866	877	881
Suez Lyon Eaux	1125	1111	1125	1118
Synthelabo	1192	1140	1167	1139
Thomson CSF	232.50	221.30	230	227
Total B	705	684	704	690
Usinor	64	61.30	63.90	66.50
Valeo	493.50	481.50	489	499.90
Vivendi	1331	1297	1315	1335

Prague
www.pse.cz — PX 50 index: 397.80 Previous: 393.90

	High	Low	Close	Prev.
Ceska Sporitelna	95.98	94	94.15	94.27
CEZ	651	648.10	648.10	652.60
Ceska Plavba	54	44.60	48.70	46.20
Komercni Banka	398.60	390.10	390.10	392.10
SPT Telecom	450.80	441.60	450.80	450.30
Unipetrol	60.06	59.10	60.06	60.13

São Paulo
www.bovespa.com.br — Bovespa index: 9888.91 Previous: 8953.34

	High	Low	Close	Prev.
Bco Brasil Pfd	10.61	10.00	10.24	10.60
Bradesco Pfd	9.00	8.79	8.90	8.86
Brahma Pfd	670.00	659.00	670.00	660.00
Cemig Pfd	32.50	31.20	31.50	31.60
CESP Pfd	36.50	32.60	32.80	35.20
Copel Pfd B	12.30	11.59	12.10	11.61
Eletrobras	33.20	31.20	33.80	31.90
Eletropaulo Pfd	64.49	61.39	64.49	62.00
Gerdau Pfd	11.90	11.70	11.90	11.90
Itaubanco Pfd	719.99	680.00	699.49	670.00
Light Servicos	225.00	218.00	218.00	216.80
Petrobras Pfd	185.00	182.00	183.00	184.00
SABESP	136.00	129.00	135.00	135.00
Telebras Pfd	0.29	0.23	0.24	0.27
Telerj Pfd	45.98	43.50	45.42	44.00
Telesp Pfd	223.00	217.00	219.00	219.99
CVRD Pfd	19.20	19.20	19.20	19.30

Late trading

Seoul
www.kse.or.kr — Composite index: 447.80 Previous: 446.59

	High	Low	Close	Prev.
Daewoo Heavy	4800	4670	4750	4800
Hyundai Elec	22950	22050	22500	22050
Kookmin Bank	6000	5550	5920	5750
Korea El Pwr	24500	23600	24000	24000
LG Electronics	12700	12100	12500	12300
LG Semicon	14500	12900	14200	13300
Pohang Iron St	54800	53500	53900	54100
Samsung Display	46500	45150	46000	46600
Samsung Elec	68400	66400	67000	68500
Samsung Fire	322000	307000	219500	212000
Shinhan Bank	5580	5020	5580	5100
SK Telecom	559000	548000	555000	565000

Shenzhen
B shares index: 57.60 Previous: 58.37

	High	Low	Close	Prev.
Bengang Steel	0.87	0.82	0.83	0.84
China Intl Marin	N.T.	N.T.	N.T.	3.78
Guandg El Pwr	2.41	2.28	2.35	2.34
Konka Group	4.83	4.51	4.74	4.60
Shandg Chenm	2.34	2.30	2.32	2.28
SZ Fangda	4.80	4.60	4.60	4.80
Shenzhen Seg	1.70	1.68	1.70	1.73
Tsann Kuen	1.18	1.10	1.10	1.18

B shares only quoted in Hong Kong dollars.

Singapore
www.ses.com.sg — Straits Times: 1394.76 Previous: 1390.78

	High	Low	Close	Prev.
City Devts	7.80	7.00	7.70	7.75
Cycle Carriage	5.65	5.30	5.65	5.35
Dairy Farm Intl *	1.33	1.30	1.30	1.31
DBS foreign	12.60	12.20	12.20	12.00
DBS Land	2.32	2.22	2.32	2.28
Fraser & Neave	5.75	5.50	5.65	5.70
HK Land *	1.48	1.43	1.46	1.46
Jard Matheson *	3.58	3.44	3.44	3.52
Jard Strategic *	1.86	1.84	1.86	1.86
Keppel Corp.	4.24	4.10	4.32	4.22
OCBC foreign	9.45	9.10	9.45	9.40
OS Union Bk F	5.90	5.65	5.80	5.80
SembCorp Ind.	1.96	1.89	1.95	1.97
Sing Air foreign	12.00	11.80	11.80	12.10
Sing Land	4.04	3.84	4.02	3.94
Sing Press	17.90	17.40	17.70	18.00
Sing Tech Eng	1.78	1.73	1.77	1.78
Sing Telecomm	2.73	2.67	2.72	2.70
Utd O'Sea Bk F	9.30	9.00	9.05	9.10

*: in U.S. dollars.

Stockholm
www.xsse.se — SX 16 index: 4056.34 Previous: 3973.51

	High	Low	Close	Prev.
AGA B	100.50	97.00	98.00	100.00
ABB A	91.00	88.50	90.00	89.50
ABB B	90.50	88.00	89.50	88.50
AssiDoman	146.00	143.50	145.00	144.50
Astra A	153.50	146.50	152.50	148.00
Astra B	148.50	142.00	148.00	143.00
Atlas Copco A	184.50	176.50	183.50	178.00
Electrolux B	131.00	125.00	130.00	125.50
Ericsson B	232.00	224.00	232.00	226.50
Forenings Spar	228.00	223.50	226.50	225.50
Hennes B	591.00	572.00	589.00	582.00
Incentive A	100.00	97.50	100.00	99.50
Investor B	364.00	352.00	362.50	354.00
NetCom Sys	327.00	314.00	318.00	326.00
Nordbanken Hdg	54.00	51.00	53.50	52.00
PharmUpjohn	446.00	435.00	444.00	436.00
Sandvik B	156.50	151.00	154.50	153.00
Scania B	156.50	148.50	154.00	149.00
SCA B	182.00	179.00	180.00	177.00
S-E Banken A	96.00	93.50	95.50	94.00
Skandia Fors	117.00	114.00	115.50	114.00
Skanska B	235.00	230.00	235.00	230.00
Stora A	105.50	101.50	105.50	101.50
Sv Handels A	335.50	329.00	334.00	336.00
Volvo B	189.50	177.00	187.50	177.50

Sydney
www.asx.com.au — All Ordinaries: 2771.30 Previous: 2772.00

	High	Low	Close	Prev.
Amcor	7.10	6.95	7.00	7.13
AMP	20.60	20.40	20.60	20.51
ANZ Bkng	11.09	10.88	11.00	11.00
Aust. Gas Light	11.93	11.83	11.85	11.95
BHP	12.80	12.54	12.60	12.82
Boral	2.44	2.39	2.44	2.42
Brambles Ind.	38.46	37.80	38.19	38.50
CBA	21.85	21.52	21.85	21.89
CC Amatil	5.48	5.45	5.48	5.65
Coles Myer	8.33	8.18	8.27	8.23
Colonial	5.50	5.30	5.50	5.50
Comalco	6.40	6.31	6.40	6.30
CSR	3.80	3.73	3.78	3.73
Fosters Brew	4.22	4.17	4.18	4.21
Gen. Prop. Tr.	3.08	3.01	3.06	3.07
Land Lease	38.80	38.40	38.70	38.50
Nat Aust Bank	24.05	23.88	23.90	24.12
Nat Mutual Hdg	3.06	2.90	3.05	2.89
News Corp	11.07	10.89	11.07	10.98
Pioneer Intl	3.45	3.40	3.45	3.45
Pub Broadcast	6.85	6.74	6.85	6.74
Rio Tinto	20.53	20.33	20.51	20.57
St George Bank	10.40	10.27	10.36	10.32
Southcorp	5.25	5.20	5.20	5.21
Telstra	6.92	6.73	6.92	6.82
WMC	5.13	5.06	5.10	5.12
Westfield Trust	3.42	3.38	3.42	3.40
Westpac Bkg	10.85	10.67	10.85	10.76
Woodside Pet	8.40	8.07	8.25	8.30
Woolworths	5.74	5.53	5.55	5.59

Taipei
www.tse.com.tw — Stock Market index: 7328.12 Previous: 7377.86

	High	Low	Close	Prev.
Acer	44.10	42.80	43.20	43.10
Adv. Semi	69.50	64.50	64.50	69.00
Asustek Comp.	282.00	276.00	277.00	279.00
Cathay Life Ins.	122.00	118.50	119.00	119.00
Chang Hwa Bk	55.50	53.00	53.50	54.00
China Devlpmt	69.50	67.50	67.50	68.50
China Steel	21.00	21.30	21.40	21.40
First Comm. Bk	55.50	54.00	55.00	54.50
Formosa Plastic	56.00	53.50	54.00	54.50
Hon Hai Prec.	181.00	116.00	176.00	180.00
Hua Nan Bk	61.50	59.00	60.00	60.50
Intl Comm. Bk	34.80	33.60	33.80	34.00
Nan Ya Plastics	51.50	49.50	50.00	50.50
Shin Kong Life	64.00	61.00	61.80	62.00
Taiwan Semi	82.50	80.00	80.50	82.50
Utd Micro Elec.	48.00	46.60	46.90	47.70
Utd World Chin.	36.20	34.60	34.60	35.10

Market Closed

The stock market in Tel Aviv is closed on Fridays.

Tokyo
www.tse.or.jp — Nikkei 225: 15469.39 Previous: 15207.77

	High	Low	Close	Prev.
Acom	7700	7400	7670	7700
Advantest	8110	8000	8060	7990
Ajinomoto	1150	1124	1124	1129
All Nippon Air	440	430	430	435
Asahi Bank	467	455	462	460
Asahi Brew	1805	1793	1797	1796
Asahi Chem	529	510	518	533
Asahi Glass	719	710	710	719
Bk Tokyo Mitsu	1347	1326	1339	1340
Bridgestone	3040	2935	2960	2940
Canon	2840	2750	2780	2760
Cent. Japan Ry	6000a	5900a	5900a	6000a
Chubu Elec	2350	2325	2325	2340
Chugoku Elec	2150	2100	2100	2170
Dai Nippn Print	1917	1831	1831	1899
Dai-Ichi Kang	845	826	826	842
Daiwa House	1350	1322	1322	1347
Daiwa Sec	475	462	468	465
DDI	4120a	4090a	4110a	4150a
Denso	2405	2360	2360	2395
East Japan Ry	7400a	7340a	7390a	7300a
Eisai	1940	1900	1931	1898
Fanuc	4290	4020	4050	4290
Fuji Bank	505	499	500	510
Fuji Photo	4710	4630	4650	4670
Fuji TV Netwk	5320a	5220a	5320a	5350a
Fujitsu	1428	1390	1420	1405
Hachijuni Bk	1100	1080	1098	1110
Hitachi	806	770	782	760
Honda Motor	4550	4500	4500	4550
IBJ	704	685	693	700
Ito-Yokado	7670	7510	7510	7710
JAL	326	310	322	320
Japan Tobacco	1100a	1080a	1090a	1120a
Jusco	2440	2400	2410	2440
Kansai Elec	2520	2485	2500	2595
Kao	2425	2375	2395	2420
Kawa Steel	194	189	192	190
Keyence	14030	13620	13820	14020
Kinki Nipp Ry	631	622	623	639
Kirin Brewery	1293	1277	1291	1282
Komatsu	649	634	644	644
Kyocera	6170	6030	6050	6070
Kyushu Elec	2165	2125	2120	2145
Marui	2295	2240	2240	2255
Matsu Comm	5340	5270	5280	5370
Matsu Elec Ind	2045	2005	2010	2040
Matsu Elec Wk	1100	1128	1160	1157
Matsu-Kotobuki	2850	2825	2825	2910
Minebea	1379	1290	1210	1379
Mitsubishi	817	787	800	790
Mitsubishi El	330	320	327	329
Mitsubishi Est	1234	1216	1216	1235
Mitsubishi Hvy	490	482	488	491
Mitsubishi Tr	939	905	905	945
Mitsui	720	700	706	711
Mitsui Marine	648	610	625	628
Mitsui Fudosn	983	950	950	983
Murata Mfg	4820	4820	4820	4750
NEC	1061	1033	1045	1050
Nichiei	10500	10410	10500	10410
Nikko Sec	437	422	426	429
Nintendo	11540	11100	11510	11370
Nipp Express	675	651	654	679
Nippon Oil	414	405	406	409
Nippon Paper	544	531	534	537
Nippon Steel	231	227	229	228
Nissan Motor	407	395	396	410
Nomura Sec	1239	1191	1218	1203
NTT	946b	938b	936b	934b
NTT Data	5450a	5410a	5410a	5440a
NTT DoCoMo	4620b	4510b	4590b	4520b
Oji Paper	582	563	564	584
Omron	1521	1490	1491	1504
Oriental Land	5150	5060	5100	5090
Orix	9100	8900	9090	9020
Osaka Gas	390	374	375	390
Promise	5800	5650	5800	5750
Ricoh	1189	1145	1160	1149
Rohm	10300	10270	10270	10400
Sakura Bk	334	325	326	335
Sankyo	2890	2840	2845	2890
Sanwa Bank	1168	1136	1136	1169
Sanyo Elec	361	354	354	360
Secom	9280	9090	9100	8970
Seibu Rwy	3920	3900	3910	4010
Sekisui House	1212	1176	1200	1218
Seven-Eleven	9190	9130	9160	9200
Sharp	1086	1068	1070	1067
Shin-etsu Ch	2810	2735	2755	2735
Shiseido	1424	1387	1415	1408
Shizuoka Bk	1346	1335	1340	1380
SMC	9290	9180	9270	9250
Softbank	4710	4550	4630	4620
Sony	9420	9240	9400	9280
Sony Music Ent	5570	5490	5540	5540
Sumitomo	704	676	685	679
Sumitomo Bk	1409	1386	1390	1474
Sumit Chem	441	427	428	445
Sumit Elec	1395	1365	1366	1390
Sumit Marine	749	726	726	750
Sumit Metal	156	148	152	145
Sumit Trust	396	387	392	389
Suzuki Motor	1417	1398	1400	1383
Taisho Pharm	3160	3100	3130	3100
Takeda Chem	4330	4250	4250	4340
Takefuji	8540	8300	8480	8210
TDK	10400	10210	10320	10310
Tohoku El Pwr	2055	2020	2025	2065
Tokai Bank	665	656	660	669
Tokio Marine	1460	1391	1391	1469
Tokyo El Pwr	2940	2890	2890	2940
Tokyo Electron	4550	4340	4590	4440
Tokyo Gas	302	292	293	303
Tokyu Corp.	346	330	336	346
Toppan Print	1510	1450	1481	1449
Toray Ind	597	586	589	585
Toshiba	715	702	713	711
Toyo Trust	391	383	388	389
Toyoda Loom	2090	2055	2075	2095
Toyota Motor	3280	3170	3260	3210
West Japan Ry	5360a	5300a	5300a	5330a
Yamanouchi	3760	3650	3650	3720
Yamato Transp.	1557	1547	1547	1550
Yasuda Fire	600	581	585	590

a: x 100. b: x 1,000

Toronto
www.tse.com — TSE Industrials: 6506.23 Previous: 6559.38

	High	Low	Close	Prev.
Abitibi Cons.	15.15	14.75	14.75	14.95
Alberta Energy	34.95	34.15	34.50	34.25
Alcan Alum	44.40	43.35	43.35	44.20
Ballard Pwr Sys	54.80	51.75	53.80	52.10
Bk Montreal	67.00	65.10	65.10	68.30
Bk Nova Scotia	35.55	35.00	35.15	35.15
Barrick Gold	32.05	21.65	21.85	32.20
BCE	55.60	55.25	55.45	55.90
BC Telecomm	43.40	42.10	42.10	43.30
Bombardier B	20.65	20.40	20.45	20.50
CIBC	36.30	35.10	35.10	36.40
Cdn Natl Rail	84.25	83.90	84.15	84.00
Cdn Nat Res	24.75	24.00	24.00	24.75
Cdn Occid Pet	21.45	21.00	21.00	21.25
Cdn Pacific	34.75	34.30	34.30	34.45
Du Pont Cda A	42.85	41.00	42.50	42.50
EdperBrascan	24.10	23.55	23.70	23.85
Enbridge	71.00	70.00	70.40	70.40
Fairfax Finl	520.00	505.00	510.00	520.00
Falconbridge	17.90	17.70	17.85	17.85
Geac Computer	41.00	40.50	40.55	41.20
Imperial Oil	29.25	21.90	28.30	27.50
Inco	18.45	18.30	18.40	18.45
Laidlaw	15.90	15.00	15.25	15.90
Magna Intl A	102.45	102.00	102.05	102.30
Newbridge Net	47.90	45.50	46.70	44.95
Newcourt Credit	54.75	54.00	54.25	54.75
Noranda Inc	23.30	22.35	22.55	23.30
Nthern Telecom	74.25	73.65	74.10	74.40
Nova	21.25	21.00	21.00	21.20
Pancdn Petlm	19.50	18.90	19.20	19.00
Petro Cda	19.20	18.60	18.75	19.25
Placer Dome	23.90	23.55	23.60	24.10
Potash Sask	96.00	95.30	95.30	96.20
Renaissance	18.25	18.00	18.10	18.10
Royal Bk Cda	76.75	75.75	76.10	77.70
Royal Grp Tech	34.00	32.90	32.90	33.60
Seagram Co	54.55	53.00	54.00	54.75
Shell Cda A	24.25	23.85	23.90	24.15
Suncor	49.00	47.45	47.45	48.40
Talisman Eny	28.95	27.80	28.25	29.00
Teleglobe	42.80	42.45	42.70	42.70
Telus	34.00	33.50	33.65	33.75
Thomson	37.00	36.75	37.00	36.95
TorDom Bank	52.25	51.25	51.00	52.40
Torstar	18.40	18.25	18.40	18.25
Transalta	22.95	22.45	22.75	23.05
TransCda Pipe	23.15	22.70	23.00	22.80
Trizec Hahn	32.20	21.25	32.00	31.35
Westcoast Eny	30.75	30.60	30.70	30.55
Weston	54.25	53.25	53.75	53.25

Late trading

Vienna
www.wbag.at — ATX index: 1144.95 Previous: 1145.66

	High	Low	Close	Prev.
Bank Austria	618.90	596.10	618.90	604
Bohl. Vers.	760	760	760	760
Erste Bank	709	685	694.50	709
EVN	1670	1622	1639	1675
Generali Hdg	2790	2750	2777.70	2797
OMV	1139	1113	1139	1120
Oest Elektriz	1909.90	1873.30	1888.80	1920
VA Tech	987	976	986	978.65
Wienerberg Bau	2349	2325	2349	2350

Wellington
www.nzse.co.nz — NZSE-40 index: 1986.82 Previous: 1942.55

	High	Low	Close	Prev.
Air NZeald B	2.49	2.45	2.45	2.49
Brierly Invt	0.49	0.48	0.48	0.48
Carter Holt	1.82	1.74	1.82	1.77
Fletch Ch Bldg	2.40	2.34	2.38	2.33
Fletch Ch Eny	4.14	4.00	4.12	4.00
Fletch Ch Paper	1.32	1.29	1.32	1.29
Indep. News	7.30	7.20	7.20	7.20
Lion Nathan	4.90	4.90	4.90	4.89
Sky Network	2.38	2.32	2.35	2.39
Telecom NZ	8.05	7.90	8.00	7.89

Zurich
www.bourse.ch — SPI index: 4534.65 Previous: 4502.80

	High	Low	Close	Prev.
ABB B	1802	1745	1791	1759
ABB R	360	347.50	356	358
Adecco	633	606	620	631
Alusuisse R	1949	1810	1820	1800
Ares-Serono B	2180	2145	2180	2168
Baer Hdg B	4600	4500	4530	4600
Baloise Hdg R	1340	1280	1340	1300
BK Vision	279	272	275	275
Ciba Spec Chem	131	128	128.50	130
Clariant R	700	680	680	699
Crd Suisse Gp R	253	243	248	245
Ems-Chemie	8850	8650	8710	8700
Holderbank B	1702	1632	1632	1708
Liechtenst LB B	904	894	904	900
Nestle R	2940	2860	2933	2961
Novartis B	2690	2644	2670	2645
Novartis R	2700	2656	2683	2672
Oerlikon Buehr R	183	180	180	178.50
PharmVisn B	998	968	998	1000
Pirelli R	370	355	370	365
Richemont A	2045	1925	2035	1943
Rieter Hdgs	868	844	860	835
Roche Hdg PC	16790	16550	16710	16630
SAirGroup R	319.00	301	315.50	314
Saurer R	783	765	780	762
Schindler PC	2240	2185	2200	2182
SGS B	1020	995	1010	985
Sulzer R	834	805	823	810
Sulzer Medic R	290	284	290	287
Swatch Group B	803	780	800	780
Swatch Group R	189	184	184	185
Swiss Life B	1004	987	998	1000
Swiss Reins R	3600	3511	3575	3536
UBS R	433.50	426.50	430	437
UBS SIMA	278	276	278	277
Zurich Assur R	1025	970	1025	980

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هكذا من الأصل

ADB Sees Rebound Next Year

Compiled by Our Staff From Dispatches

MANILA — Most Asian economies will recover from recession next year as currencies stabilize, though many countries will need to strengthen their banks before they can return to rapid growth, the Asian Development Bank said Friday.

The region is likely to see economic growth of 3.5 percent in 1999, the ADB said, almost double the rate this year.

"The crisis has bottomed out," said Christopher Walker, a bank economist, at a conference to discuss regional prospects.

But a quick return to former growth rates — approaching 10 percent — is unlikely, the ADB said.

The bank, owned by governments in the region, downplayed the depth of the slump, saying weak banking systems had made Asian economies vulnerable to capital flight. It slashed its April forecasts for economic growth but said the worst was past for most countries.

That view is shared by the International Monetary Fund, which put together billions of dollars in loans to resuscitate economies in Thailand, Indonesia and South Korea. The ADB contributed to those rescue packages.

"The Asia-crisis countries are forming the base for a recovery in 1999," said David Nellor, the IMF assistant director for the Asia-Pacific region. "But the reform process is going to be a long-life process."

The ADB said that while some currency and equity markets staged partial recoveries this year, "bad loan rates kept rising in 1998 as corporate failures exacerbated banking sector problems."

"As long as international capital markets remain shaky, developing countries in Asia and the world will appear vulnerable to investor panic," the report said. *(AFP, Bloomberg)*

Low Oil Prices Help Make or Break Recovery

Energy Importers Stand to Benefit, While Exporters Face Bleak Prospects

By Michael Richardson
International Herald Tribune

SINGAPORE — Depressed international oil prices, driven to 22-year lows by falling demand, could hasten recovery in energy-importing Asian countries while worsening the plight of several petroleum exporters in the region, particularly Indonesia, officials and analysts say.

"Contracting economies in Asia, although partly responsible for the falling prices, are also major gainers, being large net importers of oil and products," Dresdner Kleinwort Benson Securities (Singapore) Pte., said in a recent report.

Major beneficiaries of the low prices include India, China, Taiwan and Singapore. They are substantial oil importers whose currencies are either pegged to the U.S. dollar, or have fallen far less in value than other Asian currencies since the regional financial crisis began in July 1997.

"If oil prices had remained at $20 a barrel, the Asian economies would have been in much worse shape," said John Russel, managing director of Petroleum Economics Ltd. in Bangkok.

Oil and the products of oil refineries, such as gasoline and diesel fuel, are priced in dollars when traded internationally.

Dresdner Kleinwort Benson Securities, a unit of Dresdner Bank AG of Germany, said that lower oil prices could increase industrial growth in India by up to 4 percent a year and would also give a major lift to Indian refiners and energy intensive sectors of the economy, such as cement, metal manufacturing and transport.

India alone is expected to save nearly $1 billion on crude oil imports this year, almost one-fifth of the $5.1 billion it spent on oil in 1997.

Singapore cut its gasoline excise tax by 6 percentage points Wednesday, to 40 percent, and removed a tax on diesel fuel as part of a package of cost-cutting measures amounting to 10.5 billion Singapore dollars ($6.41 billion) a year to help pull the island-state out of recessioo and sharpen its competitive edge against lower-cost neighbors.

For other Asian petroleum importers, including Japan, South Korea and Thailand, the decline in oil prices will only help counterbalance the drop in the dollar value of their currencies.

In Thailand, for example, the baht's dollar-purchasing power is down about 40 percent since July 1997. Over the same period, the dollar value of oil has dropped 37 percent.

Thailand has saved foreign exchange in the past year by having electricity-generating plants that used imported oil switch over to locally produced natural gas.

"Thailand plans a further 80 percent rednction in fuel oil use during the next three years," said John Imle, president of Unocal Corp., which operates Thai gas fields that generate 40 percent of the country's electricity.

So far this year, the price of benchmark North Sea Brent crude oil has averaged $13.66 a barrel, a lower price than at any time since 1976. In recent days, it has been trading below $11 a barrel, and most oil experts expect prices to stay low into next year, possibly longer.

This is bad news for Indonesia, the leading Asian oil exporter and the only East Asian member of the Organization of Petroleum Exporting Countries.

"Current oil prices are too low," said the Indonesian mines and energy minister, Kuntoro Mangkusubroto. "The revenue from oil is very important for Indonesia. We want to see the oil price higher."

More than in any other Asian country, oil and gas play a pivotal role in the Indonesian economy, now in the midst of its worst recession in more than 30 years.

In the year to March 1997, before the financial crisis struck, petroleum accounted for 8 percent of gross domestic product, 18 percent of government revenue and 24 percent of export earnings.

The current government budget is based oo an average oil price of $13 per barrel. If the price turns out to be lower, the large deficit will increase.

Malaysia, Brunei and Vietnam, the region's other net oil exporters, are also being hurt by low prices, but not nearly as much as Indonesia, either because they are less dependent on the petroleum sector or because their finances are stronger.

Asia imported about 12 million barrels of oil a day in 1997, mainly from the Middle East. Indigenous production was about 7 millioo barrels a day.

Fereidun Fesharaki, director of the energy program at the East-West Center in Hawaii, said oil consumption figures so far this year indicated demand for 1998 would decline by abont 360,000 barrels per day from 1997 — the first yearly fall since 1982.

"Oil demand would have been even lower had oil prices not declined," be noted.

Mr. Fesharaki said Asian oil demand would rebound by 2000, to a rate about 700,000 barrels per day higher than in 1997.

Philippine Economy 'Bottoms Out'

Compiled by Our Staff From Dispatches

MANILA — The Philippine gross domestic product contracted 0.1 percent in the three months to September, officially putting the country into recession, the government reported Friday.

It was the second successive quarterly GDP decline after a revised 0.8 percent contraction in the three months to June.

But the decline was smaller than many analysts had expected because an expansion in services and consumer spending offset dwindling farm output.

"In a sea of very negative growth in the region, this is actually very, very positive news," said the secretary of the Socioeconomic Planning Department, Felipe Medalla. "The economy has bottomed out."

Philippine stocks rallied, driving the benchmark Philippine Stock Exchange composite index up 54.43 points, or 2.8 percent, to 1,975.36.

The government said agricultural output, which accounts for one-fifth of the economy, fell 5.5 percent in the third quarter as bad weather pummeled crops. A broader measure of output that includes fisheries and forestry shrank 3.1 percent.

Industrial production contracted 1.7 percent in the third quarter, pulled down by a 15 percent drop in construction. Rising bad loans made banks relnctant to extend credit, halting housing construction.

Manufacturing rose 0.9 percent in the third quarter. It was propped up by an expansion in food output and electrical machinery, especially microcircuits that make up more than half of the country's exports.

Offsetting the industrial and agriculture slumps was the service industry, the largest part of the economy, which expanded 2.6 percent. In the past few years, the government has deregulated key sections of the economy such as telecommunications and transportation, leading to an investment boom.

Gross national product, which includes remittances from some 4 million Filipinos working abroad, rose 0.8 percent in the third quarter from a year earlier.

The revised GNP growth figure for the second quarter was 0.3 percent. *(AFP, Bloomberg)*

Bonds That Pay Off in Video Games

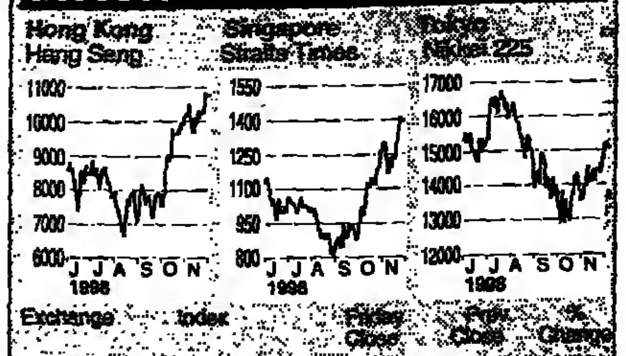
Bloomberg News

TOKYO — Sega Enterprises Ltd., seeking to capitalize on publicity surrounding the release of its new video-game machine, is selling 10 billion yen ($82.2 million) in "Dreamcast" bonds.

The 2.15 percent, three-year bonds come with a commemorative 500-yen cash card usable at convenience stores and gasoline stations, along with a chance to win Dreamcast game machines and other prizes.

Dreamcast, which went on sale Friday, replaces the failed Saturn system. Sega bopes the new machine, which features faster graphics and access to the Internet, will lift its estimated 5 percent share of the $15 billion video-game market dominated by Sony Corp.'s PlayStation and Nintendo Co.'s Nintendo64.

Investor's Asia



Exchange	Index	Friday Close	Prev. Close	% Change
Hong Kong	Hang Seng	10,742.11	10,778.82	-0.34
Singapore	Straits Times	1,394.76	1,390.70	+0.29
Sydney	All Ordinaries	2,771.39	2,772.96	-0.06
Tokyo	Nikkei 225	15,069.38	15,207.77	-0.91
Kuala Lumpur	Composite	496.38	499.89	-0.72
Bangkok	SET	373.00	382.20	-2.88
Seoul	Composite Index	447.90	446.59	+0.29
Taipei	Stock Market Index	7,320.12	7,377.86	-0.78
Manila	PSE	1,975.36	1,920.93	+2.83
Jakarta	Composite Index	392.32	394.88	-0.90
Wellington	NZSE-40	1,985.82	1,962.35	+1.20
Bombay	Sensitive Index	2,783.19	2,826.08	-1.49

Source: Telekurs — International Herald Tribune

Very briefly:

- **Malaysia's** economy is expected to report Saturday its sharpest contraction ever for the third quarter. Gross domestic product is expected to have shrunk 7.8 percent in the July to September quarter, according to a survey of five economists.
- **Japan's** jobless rate was stuck at a record high 4.3 percent in October for the third straight month, the government said.
- **Taiwan's** government said new interest rate cuts are on the way. The announcement followed a jump in the interbank interest rate, which climbed as high as 7.25 percent Friday, compared with the average this month of 5.35 percent.
- **Singapore Telecommunications Ltd.'s** first-half profit rose 3.4 percent, to 997.6 million Singapore dollars ($609.1 million), not including a 4.7 million charge against a write-down of investments. The largest Singapore company warned that profit for the second half would be weaker.
- **Kia Motors Corp.** said it would resume production Tuesday, aided by rising orders and lower inventories. The South Korean automaker suspended production of some assembly lines on Monday for at least a week because of sluggish sales.
- **Thailand** said regional securities regulators had agreed this week to establish a panel to monitor activities of global hedge funds. The Asia-Pacific Regional Committee of the International Organization of Securities Commissions took the step in a bid to maintain stability in regional capital markets.
- **China** plans to cut steel imports by more than 40 percent next year after a weakening in demand raised inventories and reduced earnings at state-owned companies.
- **Australia's** ban on mergers between its four biggest banks is still in place, though it could be reviewed, Financial Services Minister Joe Hockey said. **National Australia Bank Ltd.** has lobbied the government to drop the ban. Newspapers have reported that the bank might bid for **Australia & New Zealand Banking Group Ltd.**

Bloomberg, AFP, Reuters, Bridge News

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Herald INTERNATIONAL Tribune
PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST
THE WORLD'S DAILY NEWSPAPER

NASDAQ

Friday's 1 P.M.

The 1,000 most traded National Market securities in terms of dollar value, updated twice a year.
The Associated Press.

12 Month High	12 Month Low	Stock	Div	Yld	PE	Sls 100s	High	Low	Latest	Chge
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NYSE

Friday's 1 P.M. Close

(Continued)

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Herald INTERNATIONAL Tribune

MONEY

SATURDAY-SUNDAY, NOVEMBER 28-29, 1998
PAGE 17

MONDAY: SPORTS

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Will Retail Banking's High-Tech Future Mean Writing Off Checks?

Globally, Sector Is Shifting From Paper To a New Generation of Alternatives

By Andrew Blum

THE CITIBANK advertisement in The New York Times was clear, if a little surprising: "Pay 2 bills on-line. Get $25."

A bank giving away money? This was not a typographical error, but a hard sales pitch for what many see as the future of retail banking: Faced with increasing competition and similarly increasing costs, banks such as Citibank are using incentives to lure customers away from checks and into cheaper, technology-based alternatives.

By definition, checks are orders to a bank to move funds. Banks and billers spend billions of dollars processing and mailing checking statements and bills, so they, naturally, are on the outlook for cheaper alternatives.

Diamond Technology Partners, a management consulting firm in Chicago, figures that total costs for the billing and processing system in the United States alone range from $5 to $15 per bill. The firm figures that there are 37 billion bills mailed each year, so using a $10 average, that's $370 billion. Electronic billing and payment technology can cut 10 percent off total costs, the firm said. (On the other hand, bill issuers would pay 40 cents per item for electronic presentment, a total of $15 billion, Diamond Technology adds.)

The math is attractive from the consumer side as well. The average person may spend an hour a month paying bills and writing checks — not to mention the money spent on stamps and registered mail.

Yet there are still about 70 billion checks written per year in the United States alone, where almost all the 194 million adults have checking accounts. In France, where checks are the most popular form of account settlement, half the checks written are for amounts less than 300 francs, or about $50.

By some estimates, it could be 40 years or two generations before checks vanish, since to people of a certain age they provide unimpeachable evidence of a transaction: a paper record. There is probably more emotion than legality at work here. No less a stickler than the U.S. Internal Revenue Service, for example, will accept credit records and bank withdrawal slips as proof of an expenditure, in addition to cancelled checks. Most big banks will provide paper proof of a transaction on request.

James Zogby, an advisor for First Allied Securities Inc. and a former executive at the insurance holding company RLI, sees the issue as generational.

"I expect checks to stay around because a large segment of people over 65 want to see a piece of paper of some sort," he said. "To go paperless is extremely difficult."

Mr. Zogby, who is also a professor of risk management and investment at Illinois Central College in Peoria, Illinois, said the 45-to-65 age group is in transition. But it is the 30-to-45 age group that knows computers and "trusts them and allows paperless transactions," he said.

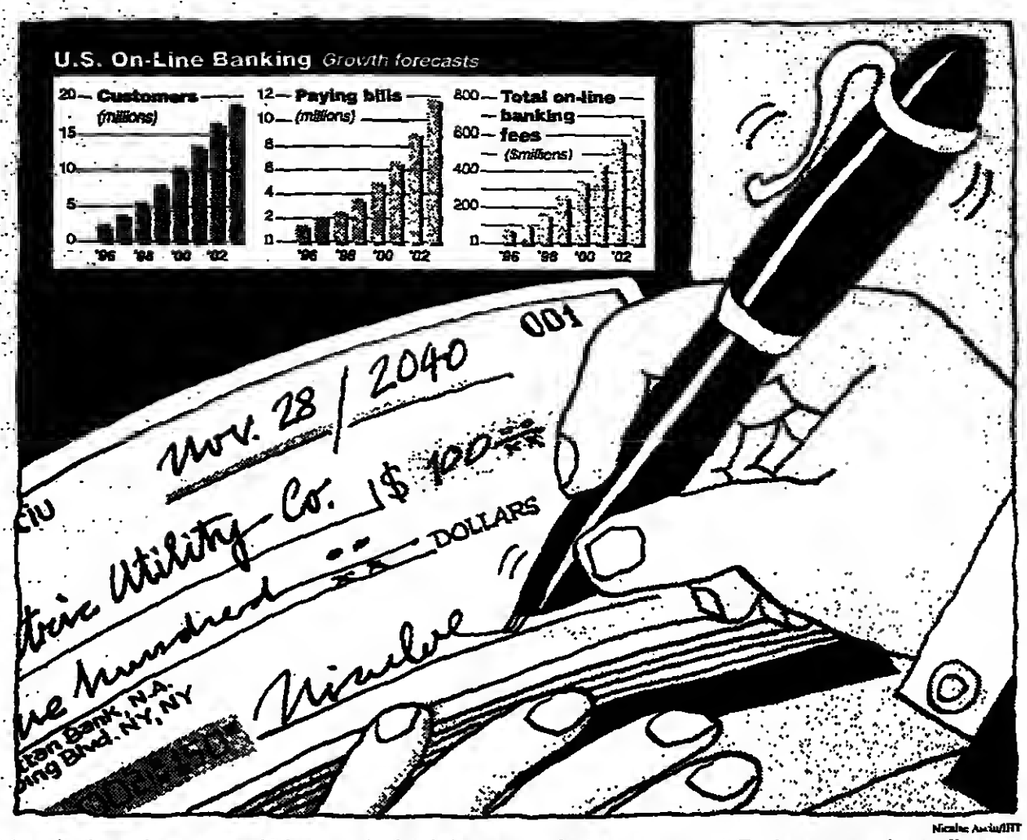
"These are people who use debit cards," he added. "The generation after them will not remember what a check is."

The future of payment alternatives can already be seen in practice in some areas of the world. In many parts of Europe, debit cards are more popular than checks, and in Japan cash is king.

And while some countries such as Mexico have instruments that resemble checks — such as drafts from "private bankers" — checks are still largely viewed as an Anglo-Saxon phenomenon. That is why expatriates from North America are the target market for banks pushing checking alternatives.

In addition to on-line banking, the alternatives include:

- Debit cards, which act as an electronic check, allowing a customer to pay for goods and services by automatically deducting the amount from a checking account.
- "Smart" cards, with embedded computer chips, which allow customers to transfer funds from a bank account to the cards at ATMs. The idea is to spend the funds at selected stores, which in theory should make small, routine purchases go quicker. So far, though, bank tests of the idea have failed in New York because the cards were not widely accepted by merchants, and credit card companies report similar experiences in parts of Canada and Britain.
- Electronic payment and presentment, which encompasses a variety of ways to pay bills without checks. The race is on among banks, billers and electronic commerce companies to allow a customer to be billed on-line and to then pay the bills the same way.



Nicolas Asfouri/IHT

The alternatives do not come cheap. George Barto, an on-line banking analyst at Inteco Corp., a consumer research firm in Norwalk, Connecticut, has found that on-line banking carries an average fee of $5.71 a month, depending on the task. Inteco defines on-line banking as viewing balances, transferring money between accounts, paying bills from checking accounts and viewing credit-card activity and/or making credit-card payments from checking accounts.

Companies in the market are betting such fees will be worth it to customers.

On-line banking provides 24-hour, 7-day a week access to accounts, said Randy Kahn, president of First Data Direct Banking, a unit of First Data Corp. that develops Web sites for banks geared to on-line banking. So far, his company has 50 banks as customers in the United States.

But the lack of widespread electronic payment capability is one reason why talk is still of the future, he said.

"Checks are not going to disappear overnight until the payment system is in place," he said. "We're not there yet."

Mr. Barto acknowledged that there had been talk for 20 years of a checkless, paperless society. And indeed, it took from the early 1960s to late 1970s for automated teller machines to gain widespread public acceptance.

As the global banking giants face competition from these alternatives — and from the growing number of non-bank financial institutions, such as brokerages and insurers, that offer checking as part of their package of services — they are left with a tough choice: Beat 'em or join 'em.

Citibank, the world's third-biggest bank in terms of assets, is poised for what it sees as a chance to get Internet-based banking and investing in 100-odd countries worldwide.

Citibank recently announced a new on-line system aimed first at the U.S. market, then expanding to other countries where it does business. Mr. Barto sees Citibank's move as one without borders.

"One of the things they tout with on-line banking capability via the Internet is that you can open a checking account with them and use it anywhere in the world," he said. "They see an opportunity to get business worldwide."

Citibank is also a minority equity investor in TransPoint, an Internet bill delivery/payment joint venture between Microsoft Corp. and First Data Corp. A pilot of that system will be held with several financial institutions.

Chase Manhattan, which has 3 million checking account customers, is also pushing alternatives. Although it only has 250,000 on-line banking customers and a "smart card" pilot bombed in New York City, Chase says the Internet and on-line banking is the future, especially for expatriate banking.

Unlike Citibank, which has retail branches abroad, Chase only has them in several American states. But according to Robin Klein, a senior vice president, and Evianne Cowing, vice president-cross-border businesses, Chase is widening checking alternatives.

Currently, it targets two groups abroad — expatriates and non-resident aliens, offering those 67,000 customers checking and other products. With a U.S.-based account, a customer can have bills paid for $150 a year, use wire transfers and bank at 285,000 Cirrus network ATMs worldwide. Checks are a rarity from these customers.

For those using checks, Chase is about to launch check imaging on statements, Ms. Klein said. Aimed at reducing fraud and costs, "what you see is a copy of the check on the statement," she said.

Elsewhere, Chase sees promise, too. It has 250,000 domestic on-line banking customers — for security reasons it cannot ship its software overseas — but believes electronic banking is the future there.

"We believe the Internet and on-line banking are the future of doing business with these clients," Ms. Cowing said.

Staying Power, in the System or Out

With Any Stock-Picking Formula, Patience Is the Key Virtue

JAMES K. GLASSMAN ON INVESTING

THE VALUE OF a stock-picking system is that it's a discipline: If you keep following the same formula over and over, then you will make good profits.

So why is Michael O'Higgins monkeying with success? Mr. O'Higgins, inventor of the Dow 10, has added bonds and Treasury bills to that elegant and beloved system. He has become a market timer!

Meanwhile, a new Dow-based system has caught my eye. It was invented by Kenneth Lee, author of a new book, "Trouncing the Dow." While a bit complicated for my taste, Mr. Lee's system seems to have significant advantages over the original Dow 10 — mainly, that it is built on a buy-and-hold philosophy.

The Dow 10, also called "Dogs of the Dow," works this way: Put equal amounts of money in the 10 stocks with the highest current dividend yields among the 30 stocks in the Dow Jones industrial average. Wait 12 months. Sell the stocks, and repeat the process.

These Dogs really work. In his book, "Retire Rich," James O'Shaughnessy tracked the system from 1952 to 1996 and found that an initial investment of $10,000 grew to $6.6 million, while $10,000 in the Standard & Poor's 500-stock index grew to only $1.7 million.

Still, the last few years have not been so felicitous. In 1997, the system returned 18.5 percent, compared with 25.0 percent for the complete Dow 30. And, through Nov. 25, the Dow 10 has returned just 13.3 percent in 1998, compared with 17.8 percent for the full Dow and 22.3 percent for the S&P.

Is this reason to change? Of course not. The Dow 10 has beaten the S&P in 28 of the past 46 years, returning an annual average of three percentage points more than the benchmark — and at lower volatility.

But that is not good enough for Mr. O'Higgins — or for Tom and David Gardner, who oversee The Motley Fool, the popular financial Web site. The Gardner brothers invented several variations on the Dow 10, most prominently the Foolish Four. Now, they have revised even that one.

As for Mr. O'Higgins, his new system, as Barrons reported in a distressing article last week, calls for investors to pull out of stocks entirely when the average yield on AAA-rated corporate bonds exceeds the "earnings yield" (that is, the inverse of the price-to-earnings ratio) on the S&P.

According to this formula, you should be in bonds right now. But which bonds? Well, if the price of gold is down from a year ago (which it was last week by a few dollars), then, according to Mr. O'Higgins, it's an indication that yields will be falling, so you should buy long-term zero-coupon Treasury bonds. If gold is up, then buy one-year Treasury bills.

I hope you have not been taking notes. You should not actually follow this rococo exercise. I am laying it out to show where impatience can lead.

Mr. O'Higgins does point out that his new Dogs-and-Bonds system, as described in his new book, "Beating the Dow With Bonds," returned an annual average of 23.8 percent from the end of 1968 through September 1998, while the Dogs alone returned just 18.0 percent.

Well, yes, but, through back-testing, you can find loads of systems that beat the Dow (and the Dogs). For example, I could propose a system that calls for buying every 50th stock listed alphabetically in the tables (50th, 100th, 150th, etc.). I could test it back 20 years and find that, alas, it returns only 15 percent. Next, I could try a series beginning with the 51st stock (51st, 102d, 153d, etc.). That one might score historical returns of 19 percent.

With infinite stock-picking formulas, several will look great when back-tested. But they are useless without a sensible underlying principle.

For the Dogs of the Dow, that principle is value. The reason the Dogs system works is that it is applied to the 30 Dow stocks, all of which are solid citizens. They can fall out of favor with Mr. Market, but they usually have the balance sheets and management talent to survive and prosper.

So picking the 10 stocks with the highest yields is a classic value, or bargain-hunting, strategy. But it's difficult to put into practice; thus, the search for new wrinkles.

The first was the Dow Five: Find the 10 Dow stocks with the highest yields. Buy the five with the lowest prices. Repeat each year. Next, the Gardners came up with the Foolish Four: Drop the lowest-priced stock in the Dow Five (on the theory that it is in serious trouble), double-up on the second-lowest-priced and buy the third, fourth and fifth stocks.

Now they have revised it, to reduce risk. You still buy four stocks, but double-up on none. You drop No. 1 only if it is both the highest-yielding stock and the lowest-priced. Otherwise, simply buy the four lowest-priced stocks.

I have never been fond of the low-priced formulas, since I can't see a good rationale for them. Still, the high returns are undeniable. Last month, Ann Coleman of the Motley Fool analyzed various Dow systems over the past 25 years. Against a benchmark of the full Dow's annual average return of 13.6 percent, she found that the Dogs returned 17.4 percent, the Dow Five returned 19.4 percent, the original Foolish Four returned 23.2 percent and the new, lower-risk Foolish Four returned 21.9 percent.

So far this year, none of the systems is beating the S&P, and only the Dow Five and the original Foolish Four are beating the full Dow.

One of the charms of these Dow systems is that you can start whenever you want, as long as you make adjustments each year. The Motley Fool runs a regularly updated list of high-yielders, so that investors can begin at will.

On Nov. 24, the Dogs were: J.P. Morgan & Co., Chevron Corp., Philip Morris Cos., General Motors Corp., Minnesota Mining & Manufacturing Co., Caterpillar Inc., DuPont Co., Eastman Kodak Co., International Paper Co. and Exxon Corp.

The Dow Five are International Paper, Caterpillar, Philip Morris, DuPont and Exxon. The Foolish Four (old version) drops IP and doubles-up on Cat. The Foolish Four (new version) drops Exxon.

Now, let's move on to Mr. Lee's system, called Trouncing the Dow. Each month, Mr. Lee, a Smith Barney vice president, analyzes the 30 Dow stocks according to a formula that relates a company's market price to its return on equity (in other words, how productively it uses stockholders' money). The system generates a target price for purchase and another for sale.

His back-testing, from 1973 to 1997, found that the system produced average annual returns of 26.7 percent, compared with 13.0 percent for the full Dow. Other analysts have found the system works with all stocks, but Mr. Lee finds the Dow to be a big enough universe.

What makes the system attractive is that it does not require selling and reallocating the portfolio every year. Mr. Lee, who started his system in 1991, currently owns 16 Dow stocks. At the start of this year, he bought Kodak and Aluminum Co. of America, up 24 percent and 11 percent, respectively. He added Philip Morris in May, when it was $37.68 (it's now about $58); Goodyear Tire & Rubber Co. in August at $56.50 (now about $57), and J.P. Morgan on Oct. 6 at $79.88 (now about $112). He also sold Merck & Co., his first sale in seven years.

"What I do," Mr. Lee said, "is buy cheap and allow stocks to grow." That is good advice, with or without a system.

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In Singapore or Sao Paulo, London or Lagos, a World of Banking Styles

Asia: A Mixed Bag Of Fees and Services

BANKING IN Asia, outside of Japan, involves few of the up-front fees that consumers have become used to elsewhere: Checks are usually free and minimum balances are often generously low, but bounce a check or try to cash one from abroad, and the charges pile up.

Hong Kong checking accounts pay no interest, but most banks now offer a combination multicurrency account in which customers can switch funds between checking and savings accounts in more than a dozen currencies, usually by phone. Any adult in Hong Kong with the equivalent of about $130 can open a checking account.

In Singapore, minimum age and balance requirements are higher, and overdraft privileges are harder to acquire. Still, most people with a work permit in Singapore and the equivalent of $500 can get a checking account with minimal fuss.

In Hong Kong, banks require a Hong Kong identity card or a foreign passport and that the account-holder be at least 18. (Hong Kong residents 11 years old or older can open savings accounts at HongkongBank.)

Most banks impose a charge for an inactive account — usually one with no activity recorded for six months — or on accounts with a balance of less than 1,000 Hong Kong dollars ($130) at the end of each month. These charges are minor annoyances for most people. But checking-account charges pile up in Hong Kong when one tries to deposit a foreign check.

Checks sent back to the country of issue generally carry a minimum "collection charge" of 80 to 100 dollars, and sometimes much more, plus any other fees imposed by the issuing bank. Banks in Hong Kong will hold the funds for as long as a month. Bouncing a check is also not cheap, costing about 80 dollars.

One nice trend for the consumer is that some premium services are becoming more affordable. Citibank in Hong Kong used to require 50,000 dollars to open an account, but with the recession, high interbank rates and the resulting intense competition for deposits, the bank has lowered the minimum to 30,000 dollars. Monthly balances can fall below this amount, but incur a fee of 200 dollars a month. A big minimum balance gets the holder a multicurrency account and short lines at the teller windows.

Less conveniently, Citibank is fussy about handling foreign currency in cash. Only $3,000 a day can be withdrawn without incurring a 0.25 percent charge on the transaction.

As in Hong Kong, accounts in Singapore are comparatively hassle-free, and some even pay interest. But whereas overdraft privileges in Hong Kong can often come after six months of salary deposits, banks in Singapore require regular fixed deposits. Also, only those 21 or older can have an account in Singapore.

United Overseas Bank in Singapore offers a combined account on which customers can write checks and earn interest. The bank charges a service fee of 2 Singapore dollars ($1.25) per month, and the interest rates are as follows: 2.125 percent per year on the first 3,000 dollars; 2.5 percent on the next 47,000 dollars, and 2.75 percent on anything more.

— PHILIP SEGAL

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Japan: The Check Is Rarely in the Mail

PERSONAL CHECKS play a marginal role in the cash-and-carry world of Japan. Holding a checking account, in fact, is reserved for wealthy customers with large bank deposits, and confers status rather than convenience.

Checks are accepted at a limited number of retailers, usually those that sell pricey items such as clothes and furniture, and are rarely made out to clerks at regular consumer-goods outlets such as department stores and supermarkets.

Getting a checking account in Japan *is more a result of patronage than of* a specific request to get one. At most banks, neither a minimum deposit nor maintenance fees are required, but the candidate is aggressively screened and must have sizable assets — several thousand dollars, by some estimates — in a savings account, as well as a long history of dealing with the bank.

If any deadbeats manage to slip through, they are dealt with harshly: Japanese banks will suspend a checking account for two years if the holder bounces a check twice in six months.

Bankers explain that the tight rules are the result of an assumption that businesses that receive bad checks will tend to blame the bank — despite the fact that the bank is under no obligation to make good on the check.

Foreign citizens can qualify for a checking account, of course, but unless they cultivate a close circle of merchants with whom to do business, the checks are of limited value, according to bankers.

"Checks never took off here," said Yoneo Takeda, a certified financial planner in both Japan and the United States.

Mr. Takeda, who once worked at a Japanese bank, recalled that when Japan's major banks introduced checking accounts in the 1960s, they failed to attract users. People became accustomed to having their regular utility payments and salaries handled by no-fee, automatic bank transfers, while paying for their groceries and restaurant bills with cash or credit card, he said.

The dominance of cash has much to do with the general safety of carrying cash in Japan, and also the relative rarity of counterfeiting. In the United States, handing a $100 bill over the counter invariably triggers a request for identification, but the 10,000-yen bill (worth about $85) is one of the most commonly used notes in Japan, and people routinely carry 10 such bills in their wallets.

With banks and credit-card companies preparing to introduce electronic cash as a next-generation currency, few experts believe that checks will find wide acceptance in Japan or that banks will consider promoting such services, even with the consumer-oriented "Big Bang" financial deregulation.

"Our society," Mr. Takeda said, "is going to skip the personal check as a means of payment altogether."

— MIKI TANAKAWA

Latin America: Wary And Underbanked

LATIN AMERICANS have had good reasons to be skeptical of checking accounts. In Brazil, for instance, former governments occasionally froze private accounts in hopes of stabilizing the economy. In Argentina, rampant inflation made anything other than cash impractical. Throughout the region, frequent bank failures also helped discourage potential customers.

The skepticism remains, but it is tempered by a new confidence among the growing middle class that governments will keep currencies stable and inflation low. Customers are considering financial products that their parents would have eschewed: checkbooks, debit cards, credit cards and even mortgages. Higher up the economic scale, Latin Americans who have long relied on U.S. or offshore banks are for the first time pondering homegrown products.

Securing even a checkbook in some parts of Latin America remains surprisingly difficult, however. That is partly because much of the region is starkly underbanked. In Brazil, there are 19,000 people for every bank branch, according to research by the Spanish bank Banco Bilbao Vizcaya, or BBV. In Peru, the figure is even higher: 27,000 for every branch. All told, there are 14,300 potential customers for every existing bank branch in Latin America, compared with just 1,200 in Spain.

Decades of state ownership and stringent restrictions also have left their mark. Many local banks require reams of paperwork before processing an application. This is particularly true in Brazil, where those in possession of checks are able to use them as a form of credit: Retailers are often willing to part with their goods in exchange for a single or several post-dated checks.

Not surprisingly, few Latin Americans have accounts. Only 35 percent of Mexicans have a bank account, compared with 95 percent of Spaniards, according to BBV. Farther south, the figures are also small: Only 35 percent of Argentines, 31 percent of Peruvians, 44 percent of Colombians and 48 percent of Venezuelans have accounts.

"It is a hugely underbanked region, but it is changing fast," said Evan Morris, an equity salesman at Fox Pitt Kelton in London. "Banks have traditionally focused on corporate and high-net-worth accounts. Now they are starting to skew their portfolios in favor of the retail market."

Some Latin American banks, notably Brazil's Itau, are expanding across borders. But many others, unaccustomed to free-market competition and deregulation, are struggling. Indeed, several banks have collapsed in recent months.

U.S. and European banks are eagerly filling the void. Citigroup in particular is expanding aggressively, especially in Argentina, Chile and Mexico, and BankAmerica is targeting Venezuela. Two Spanish banks, Banco Santander and BBV, are leading the European drive in the region. Also active in some parts are BankBoston Corp. and Scotiabank of Canada.

Recently, Citigroup acquired Mexico's Cofia, a failed Mexican bank. It also bought 50 branches of Banco Mayo after the Argentine bank closed in October following a run on its deposits. Citigroup is reportedly considering purchase of a Chilean consumer finance company, Financiera Atlas SA.

Citigroup, like most of the other foreign banks in Latin America, is concentrating on the upper middle and top end of the market. The bank provides checking accounts as part of a number of product packages, which can include debit and credit cards, Internet and telephone banking and other services. Charges range from $8.50 to $32 a month, which bank officials said are within the norm for the region.

—ALINE SULLIVAN

Africa: A Continent Opens to Foreigners

WITH AFRICA'S growing proliferation of mobile communication technology, ATM cash machines, debit- and credit-card systems, and privatized banking industries, non-African citizens living on the continent can, with very little effort, access primary checking accounts with banks as far away as London or Los Angeles.

Barclays Bank PLC, based in London, now has more than 300 branches and 200 ATMs spread across nine African countries.

In addition to credit cards, the bank has begun to issue debit cards there, making it possible for its checking-account customers to get cash at a growing number of grocery stores and gas stations, in addition to the 280,000 Cirrus-linked ATM machines in Africa.

The New York-based financial giant Chase Manhattan Bank has no physical

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sites on the continent. For now, such presence is not needed, said Evianne Cowing, Chase Manhattan's vice president of cross-border banking.

"So long as our clients are comfortable dealing in U.S. dollars," she said, they can have access via fax, e-mail and telephone to the bank's full range of personal banking services, including checking, savings and deposit accounts, funds transfer, loans and offshore investments and insurance.

One reason for a growing presence of foreign banks is that many of the legal and trade barriers that kept foreign banks like Chase Manhattan out of Africa are being eliminated.

A prime example of this is a nearly unilateral move by African governments to lift prohibitive foreign-currency controls that make cross-border financial transactions difficult, if not impossible.

Another reason is that technology, in the form of satellites, wide-area networks, and Internet-based on-line networking, is making it possible for foreign banks to offer their checking-account customers unprecedented access to account information and cash.

With these developments, said Brian Paxton, a founding partner in MBendi Information Services, a market research firm based in Claremont, South Africa, individuals working in Africa are "freed from having to use the bank on the corner."

That may be a good thing. As a recent banking industry report from MBendi pointed out, a region-wide push to privatize is starting to ferret out some of Africa's weaker, financially troubled banks, even in the more industrialized countries, such as Kenya.

"There are a lot of banks that are failing in Africa right now — banks that really should never have been licensed," said Tony Wright, deputy managing director for The Standard Bank of South Africa, or Stanbic, in Johannesburg. "An expatriate who puts their money in a checking account with a local bank could have trouble getting their money out if its fails," he warned.

"Africa is still very much a cash-based society," Mr. Wright said, pointing out that Kenya has a population of 28 million and yet only about a million people have checking accounts, let alone use credit cards.

— HOLLY HUBBARD PRESTON

Europe: Checking Without Borders?

WITH THE single European currency slated for introduction next year, and the new euro coins and notes due in 2002, the time is not too far off when consumers can shop across borders for their banking products.

That means that in countries like France, where banks do not pay interest on checking accounts, consumers may be tempted to open their main checking account with a bank in, say, Belgium or the Netherlands, where interest-paying checking accounts are the norm.

In practice, there are high hurdles to get over before cross-border banking becomes a reality: language, custom, and the glacial speed at which European monetary union is expected to proceed. Nevertheless, a look at some of the outstanding features of European checking accounts today provides a clue to the potential competitive advantages of tomorrow.

Some generalities apply across the major European markets: No minimum deposit is required to open an account, and there are per-transaction and/or periodic charges for checking and overdraft privileges. Debit cards are more widely used than credit cards, which are considered a perquisite of the well-to-do and carry high fees.

• **In Britain,** holders of current accounts, as checking accounts are known, can benefit from overdraft privileges, but the interest rates charged for such "unarranged borrowing" are among Europe's highest: 30 percent a year is not uncommon. Some banks charge a daily fee of about £3 ($5) and a monthly fee and overdraft interest.

• **France** is one of the few countries in the European Union that does not pay interest on checking accounts. It is also one of the few in which the use of checks continues to be free of charge and widespread: The Economic Monetary Institute estimates that individuals in France write an average of 120 checks a year, and 50 percent of checks are for amounts less than 300 francs ($50).

The downside is that if you write a check in France without sufficient funds in your account, the bank can close your account immediately and blacklist you (*bancaire interdit*) with all French banks. But overdraft privileges are widely available.

• **In Germany,** the check has never acquired the same importance as in most other Western countries. Consumers favor debit cards, with the Eurocheque card being the most widely distributed. ADV, a German consumer association, estimates that 500,000 Germans do oot currently bave bank accounts because banks consider them uncreditworthy.

• **In Italy,** where 700 banks vie for retail business, people generally open accounts with local branches because it is oot always possible to make transactions at branches other than your own. Checking accounts are interest-bearing — the typical gross rate is 1 to 1.5 percent — but many banks bave started offering checking accounts with no interest and no charges.

Once a checking account is opened, customers are generally offered a free check book and debit card. The free debit card can only be used on the bank's own ATM network. For this reason, few people ask request it, preferring the more flexible — but not free — Pagobancomat card, which can be used at any ATM across Italy. The card fee is 10,000 to 30,000 lire ($6 to $18) per year.

— BARBARA WALL

For Investors, Betting on Stock in the Paperless Chase

By Judith Rehak

HOWEVER YOU pay your bills — with the click of a computer mouse, the swipe of a plastic card or a signature on a check — there are companies that are positioned to be profitable investments, precisely because they aim to accommodate your style.

At the leading edge is paperless bill-paying through your bank's Internet account. You simply click on each bill you want to pay, and the amount is deducted from your account — no paper, no stamps and, enthusiasts promise, no hassle.

The hassle issue is important because until now electronic bill-paying had not caught on with consumers, largely because earlier versions were too complicated. But it has become more user-friendly, and with a market expected to reach $600 million by the year 2001, competition is heating up among an array of players.

The front-runner, in several analysts' view, is CheckFree Holdings Corp. CheckFree acts as a middleman by gathering bills electronically from companies and "presenting" them to banks, whose account-holders can pay them instantly through on-line banking.

But so far, CheckFree's path to profitability has been a roller-coaster ride for its shareholders. In August, the company's shares plunged nearly 45 percent in one day after CheckFree announced that earnings for the 1999 fiscal year, ending June 30, would be only half of what had been expected. The shortfall was blamed on the banks, which analysts said have been slow to get customers on board the electronic payment programs.

A potentially powerful competitor to CheckFree has entered the scene: Microsoft Corp. and First Data Corp. have formed TransPoint, with Citibank as a shareholder.

That has not dampened the enthusiasm of Pawan Malhotra of Legg Mason Wood Walker Inc., the Baltimore brokerage, who has a buy rating on CheckFree.

"It's a David and Goliath story," he said of the Microsoft threat, "but the Davids do win."

In CheckFree's favor is that it has signed up 23 of the top 25 banks in the United States, including Chase Manhattan Corp. and Wachovia Bank, plus an impressive roster of bill producers, led by AT&T Corp., the long-distance telephone company.

Moreover, CheckFree's service is up and running, Mr. Malhotra noted, while TransPoint's is still in development.

"CheckFree is well ahead of the curve," he said.

For investors who find paperless bill-paying exciting, but can't stand the heart-stopping volatility of Internet-related stocks, Charles Wittmann of Wheat First Union, an Atlanta brokerage, has another approach. He likes Concord EFS Inc., which specializes in payment systems for supermarkets that enable customers to pay for their groceries by swiping their credit or bank debit cards through a machine at the checkout counter.

"They've been very smart in finding this niche because only about 60 percent of supermarkets accept this kind of payment now, so there's a lot more to go," Mr. Wittmann said. Concord is moving into gas stations and convenience stores, too.

An advantage over its competitors, he said, is that Concord is the only company whose machines accept both credit and bank debit cards. It also stands to profit from the government's plans to account electronically for food stamps, the coupons it issues to the poor for subsidized food payments. It has been acting as an adviser on the project.

Mr. Wittmann is not alone in his appreciation of Concord. Its shares have soared 75 percent this year, and it has a lofty price-to-earnings ratio of 50. But he does not see that as excessive, given his estimate of a healthy 30 to 40 percent annual growth in revenues over the next three to five years.

"It looks to me like they have a very good game plan," he said.

Despite the current hype surrounding paperless bill paying, people who still prefer the old-fashioned method of writing out a check have little to fear.

"Rumors of the death of the check are premature," said a spokesman for MDC Communications, Canada's biggest bank-check printer.

A relatively unknown company, MDC has attracted a following on Wall Street in the past year as it has moved into the U.S. market, snapping up small check-printing companies, and showing robust sales and earnings growth. Its focus is on the $300 million direct-to-consumer market in the United States, where users buy less-expensive checks directly from the printing company.

Michael Millman of Salomon Smith Barney, who has a buy rating out on the stock, noted that the direct market is growing at 15 percent a year, compared with the bank-check segment, in which growth is a sluggish 2 percent at best.

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WORLD ROUNDUP

Dorsett's Mark Falls

FOOTBALL Ricky Williams of the University of Texas became the leading rusher in Division I-A history Friday, breaking the record the 1976 Heisman Trophy winner Tony Dorsett held for 22 years.

After moving within 11 yards of breaking the record, Williams ripped off a 60-yard touchdown run with 1:45 left in the first quarter, giving the Longhorns a 10-0 lead over Texas A&M. He started the day needing 63 yards to break Dorsett's mark.

Dorsett, who was on the sidelines, congratulated him. Texas won the game, 26-24, and officials gave Williams the game ball.

Williams increased his career total to 6,132 yards. Dorsett had 6,082 from 1973 to 1976 for Pittsburgh before going on to a Hall of Fame career in the NFL. *(AP)*

A Bad Day for Woods

GOLF Tiger Woods fell six strokes off the lead in the Casio World Open in Japan when he bogeyed four straight holes and shot a 2-over-par 74 in the second round Friday. Hidemichi Tanaka, winner of the Japan Open, moved into first place at 137 with a 69. *(AP)*

• John Daly followed his opening 5-under-par 66 with a 72 Friday to drop five strokes behind Anthony Wall after the second round of the Hong Kong Open. Wall had a 9-under 133 total. *(AP)*

Maradona Still Kicking

When a crowd of reporters and autograph seekers pressed around Diego Maradona and his wife Thursday at the Buenos Aires airport, Maradona said: "I'm not talking," and then kicked and punched his way out of the crowd, landing at least one blow on a reporter.

Finally, the Maradonas boarded a flight to Rome. In Italy, Maradona will demand financial compensation for an allegedly erroneous drug test taken during his playing days in Italy, his manager said. *(AP)*

Germany Enters Cup Bid

SOCCER Franz Beckenbauer, vice president of the German soccer federation, on Friday submitted his country's bid to be host of the 2006 World Cup to Sepp Blatter, president of FIFA, at world soccer headquarters in Zurich.

South Africa, England, Brazil, Egypt and Ghana also have bid for the finals. Candidates have until Dec. 31 to signal their intent. FIFA's executive committee will decide on the host in March. *(AP)*

Greg Rusedski, who won the match Friday with his compatriot Tim Henman, 6-2, 6-4, in Hannover, Germany.

A Triumph for Corretja Over Costa

Winner Joins Moya, Henman and Sampras in ATP Semifinals

Compiled by Our Staff From Dispatches

HANNOVER, Germany — Alex Corretja of Spain beat his countryman, Albert Costa, 6-2, 6-4, oo Friday to join Carlos Moya, Pete Sampras and Tim Henman in the semifinals of the ATP Tour World Championship.

In a match earlier Friday, Moya defeated Yevgeni Kafelnikov, 7-5, 7-5.

By avenging his semifinal loss to Kafelnikov last year, Moya ousted the Russian from the $3.5 million tournament that nominally brings together the top eight players of the year.

On Saturday, Corretja will face Sampras in the semifinals Saturday.

Moya, ranked No. 4 in the world, will face Henman on Saturday. Henman was already assured of a place in the semifinals after defeating Alex Corretja on Thursday.

Moya, the French Open champion, had oot won an indoor match all year until this week. He prefers clay, the surface on which he won the French Open, and hard courts.

"I was perhaps luckier in important moments," Moya said. "I had to be like a wall, put back every ball. I was mentally stronger than last year."

Moya's first indoor victory of the season after five defeats came at the start of the tournament's round-robin portion, when he beat Karol Kucera. He lost to Sampras and finished behind him in one of the four-man groups.

Greg Rusedski, an alternate who came in when Andre Agassi withdrew with a back injury, crushed Henman, his British teammate, on Friday, 6-2, 6-4. He then waited for the outcome of the Corretja-Costa match to see if he had qualified.

If Costa had beaten Corretja, Rusedski would have become the fourth semifinalist.

Currently ranked No. 11 in the world and certain to move up after this tournament, Rusedski peaked at No. 4 in May but then struggled with injuries and slumped to 17th.

"To establish myself as a top-10 player is a great satisfaction," said the Canadian-born Rusedski.

"Tim did not serve as well as he usually does and I took advantage of that," said Rusedski, who now leads 2-1 after three matches against Henman. "I was mixing up my game pretty well. Everything was firing on all cylinders."

Henman, No. 9 in the world, was assured of moving up in the rankings after his performance here.

"I don't like to lose but tomorrow is much more important," he said, referring to the semifinal clash Saturday with Moya for a place in the final on Sunday.

Henman was never really in contention in his match with Rusedski, dropping serve twice with as many double faults to lose the first set.

Rusedski was already two breaks up in the second set and serving for the match at 5-2 when Henman restored some pride by breaking his opponent after saving a match point by hitting a forehand winner along the line.

But Rusedski was soon back in command, earning three more match points at 5-4. Henman hit a return into the net on the first to bow out after 67 minutes of a one-sided fight.

"I know a lot of attention is being paid to this rivalry, and tho way the match unfolded is obviously a disappointment," Henman said. "On the day, my performance was just not good onough. Greg did very well."

Henman then went to prepare for his match Saturday.

"I oeed to hit some balls, to get some rhythm back in my serve," he said. "I'll still go into the match with Moya with a lot of confidence."

Sampras was not scheduled to play Friday and had the opportunity to celebrate his unique accomplishment — holding the No. 1 ranking for the sixth year after breaking the record he shared with Jimmy Connors when Marcelo Rios withdrew Thursday from the ATP ovent with a back injury. *(AP, Reuters)*

Sports Federations Take A Step Against Doping

The Associated Press

LAUSANNE, Switzerland — All international federations for Olympic sports — except those governing soccer, tennis and cycling — agreed Friday to a package of measures aimed at unifying the fight against banned drugs.

The accord calls for a minimum two-year suspension for athletes found guilty of taking steroids and other performance-enhancing substances. A second offense would mean a lifetime ban from competition.

FIFA, the governing body of world soccer, expressed reservations about the two-year penalty, saying that certain banned drugs had no performance-enhancing benefits for soccer players. FIFA's acting secretary-general, Michael Zen-Ruffinen, said he would refer the issue for consideration by the federation's executive board.

The International Tennis Federation and the International Cycling Union also objected to the resolution. Soccer, cycling and tennis failed to comply fully with previous International Olympic Committee accords on the harmonization of doping rules and sanctions.

While the resolution said that federations not complying with the agreement could be dropped from the Olympics, the IOC's president, Juan Antonio Samaranch, said he was confident the three federations would endorse the pact before the world conference on doping in sports opens in Lausanne on Feb. 2.

Primo Nebiolo, president of the International Amateur Athletic Federation, proposed the last-minute addition of a clause requiring all federations to comply with the terms of the accord or risk their Olympic status.

The IOC had called the meeting of 28 summer-sport and seven winter-sport federations to gain endorsements of common rules, procedures and sanctions.

Previous IOC guidelines recommended a two-year ban as a maximum punishment. In some cases, different federations have applied different sanctions for the same offense.

The cycling organization, whose sport was damaged by disclosures that individuals and entire teams used banned substances during the Tour de France last summer, voiced no objections to the two-year penalty during the debate Friday. But the union's president, Hein Verbruggen, said the penalty would not be effective because it would not be accepted by different national legal systems.

On another key issue, the federations expressed support for the establishment of a world anti-drug agency to spearhead out-of-competition controls and coordinate drug-testing research.

The Coyotes' Greg Adams in control as the Devils' Sergie Brylin trailed.

Coyotes Extend Streak, Toppling Devils, 3-2

The Associated Press

PHOENIX, Arizona — In a season like few others in their dismal history, the Phoenix Coyotes have learned to beat the best.

Phoenix began its current winning streak by defeating Dallas, its rival for the Pacific Division lead, then knocked off Edmonton and Vancouver, the two best teams in the Northwest Division.

On Thursday, the Coyotes won their seventh game in a row by beating New Jersey, the Atlantic Division leader, at its own game — defense and balanced scoring.

The Coyotes killed six of seven power plays and got unexpected offense from Greg Adams, who doubled his season points with two goals and an assist in the 3-2 victory.

Phoenix kept two other NHL-best streaks alive — 13 games without a loss and 16 consecutive games of allowing two goals or less.

"I think something like this manufactures its own life, and you do draw some power from it," the Coyotes' coach, Jim Schoenfeld, said.

Rick Tocchet, playing on Adams's line with a new center, Yuha Ylonen, had a goal and two assists.

Petr Sykora scored twice in the third period, drawing a penalty on his second goal, with 3:18 left, but the Devils could not convert on the ensuing power play. The Coyotes' backup goalie, Jimmy Waite, remained unbeaten, stopping 27 shots.

Senators 4, Islanders 1 In Kanata, Ontario, Alexei Yashin had one goal and two assists as Ottawa tied a franchise record with its fourth consecutive victory.

Vaclav Prospal and Lance Pitlick also scored and Shaun Van Allen had an empty-net goal for the Senators.

Scott Lachance scored the only goal for the Islanders.

SCOREBOARD

ICE HOCKEY

NHL Standings

EASTERN CONFERENCE	W	L	T	Pts	GF	GA
ATLANTIC DIVISION						
New Jersey	12	7	1	25	51	47
Pittsburgh	9	6	4	22	57	50
Philadelphia	9	7	4	22	52	43
N.Y. Islanders	10	12	0	20	58	61
N.Y. Rangers	5	9	6	16	49	56
NORTHEAST DIVISION						
Toronto	12	8	2	26	68	62
Ottawa	10	6	3	23	59	47
Boston	9	7	5	23	55	42
Buffalo	9	4	4	22	49	31
Montreal	7	10	2	16	45	55
SOUTHEAST DIVISION						
Carolina	9	10	3	21	56	55
Washington	7	9	3	17	47	54
Florida	6	0	5	17	42	52
Tampa Bay	6	12	2	14	44	75
WESTERN CONFERENCE						
CENTRAL DIVISION						
Detroit	11	8	0	22	62	48
St. Louis	8	5	5	21	51	41
Nashville	8	11	1	17	49	62
Chicago	5	13	3	13	41	75
NORTHWEST DIVISION						
Edmonton	11	8	1	23	63	50
Vancouver	9	11	1	19	63	58
Colorado	8	10	2	10	51	59
Calgary	7	12	2	16	56	63
PACIFIC DIVISION						
Phoenix	13	2	2	28	49	26
Dallas	11	4	3	25	49	39
Anaheim	8	8	4	20	48	47
Los Angeles	6	12	3	15	49	59
San Jose	4	10	5	13	44	50

THURSDAY RESULTS

N.Y. Islanders 0 0 1—1
Ottawa 1 1 2—4
1st Period: O-Yashin 6 (Dackell, York) 2d Period: O-Prospal 4 (S.Salo, McEachern) (pp). 3d Period: O-Pitlick 2 (McEachern, Yashin) 4. New York, Lachance 1 (Brewer, Czerkawski) (pp). S. O-, Van Allen 3 (Yashin, McEachern) (en). Shots on goal: New York 9-8-1—26. O- 11-13-9—33. Goalies: New York, Flaherty. O-Rhodes.

New Jersey	0	0	2—2
Phoenix	2	0	1—3

1st Period: P-Tocchet 8 (Adams, Lumme) 2. P-Adams 2 (Ylonen, Tocchet) 2d Period: None. 3d Period: P-Adams 3 (Tocchet). 4. N.J., Sykora 7 (Arnott, Pedersen) 5. N.J.- Sykora 8 (Odelein, Brodeur) (pp). Shots on goal: N.J.- 9-9-11—29. P- 8-7-9—24. Goalies: N.J.-Brodeur. P-Waite.

FOOTBALL

NFL Standings

AMERICAN CONFERENCE EAST	W	L	T	Pct.	PF	PA
Buffalo	7	4	0	.636	247	217
Miami	7	4	0	.636	201	158
N.Y. Jets	7	4	0	.636	267	178
New England	6	5	0	.545	237	215
Indianapolis	2	9	0	.182	177	298
CENTRAL						
Jacksonville	8	3	0	.727	277	230
Pittsburgh	7	5	0	.583	224	218
Tennessee	6	5	0	.545	242	217
Baltimore	4	7	0	.364	167	216
Cincinnati	2	9	0	.182	180	287
WEST						
x-Denver	11	0	0	1.000	370	190
Oakland	7	4	0	.636	190	215
San Diego	5	6	0	.455	165	216
Seattle	5	6	0	.455	235	192
Kansas City	4	7	0	.364	204	235

NATIONAL CONFERENCE EAST	W	L	T	Pct.	PF	PA
Dallas	8	4	0	.667	325	217
Arizona	6	5	0	.545	227	224
N.Y. Giants	4	7	0	.364	180	226
Philadelphia	2	9	0	.182	92	253
Washington	2	9	0	.182	211	318
CENTRAL						
x-Minnesota	11	1	0	.917	394	220
Green Bay	7	4	0	.636	290	224
Detroit	5	7	0	.417	244	263
Tampa Bay	4	7	0	.364	192	233
Chicago	3	8	0	.273	180	244
WEST						
Atlanta	9	2	0	.818	304	208
San Francisco	8	3	0	.727	323	237
New Orleans	5	6	0	.455	206	235
St. Louis	3	8	0	.273	197	264
Carolina	2	9	0	.182	215	274

x-clinched playoff berth

THURSDAY RESULTS

Detroit 19, Pittsburgh 16, OT
Minnesota 46, Dallas 36

U.S. COLLEGE SCORES

THURSDAY RESULTS

Top 25

No. 11 Tulane (11-0) def. Louisiana Tech 63-30.
No. 25 Mississippi St. (8-3) def. Mississippi 28-6.

BASKETBALL

U.S. COLLEGE SCORES

THURSDAY RESULTS

MEN'S TOP 25

No. 1. Duke (4-0) def. Notre Dame 111-82.
No. 4. Kentucky (4-0) def. Colorado 64-52.
No. 5. Maryland (5-0) def. American U., P.R. 82-32.
No. 10. UCLA (3-0) def. San Francisco 69-62.
No. 13. Xavier (3-1) lost to Pittsburgh 94-76.

TENNIS

ATP TOUR CHAMPIONSHIP

FRIDAY IN HANOVER, GERMANY
FIRST ROUND, RED GROUP

Carlos Moya (4), Spain, def. Yevgeny Kafelnikov (8), Russia, 7-5, 7-5.

WHITE GROUP

Greg Rusedski (9), Brit., def. Tim Henman (7), Brit., 6-2, 6-4; Alex Corretja (5), Spain, def. Albert Costa (10), Sp., 6-2, 6-4.

Saturday semifinals: Sampras vs. Corretja; Henman vs. Moya.

CRICKET

SOUTH AFRICA VS. WEST INDIES
FIRST TEST, SECOND DAY
FRIDAY IN JOHANNESBURG

West Indies: 261.
South Africa 217-6.

PAKISTAN VS. ZIMBABWE
FIRST TEST, OPENING DAY
FRIDAY IN PESHAWAR, PAKISTAN

Pakistan: 272 for six

SOCCER

COPA MERCOSUR
SEMIFINALS, RETURN LEG

Atletico Nacional, Col., 1 Millonarios, Col., 3
Atletico Nacional won 3-2 on aggregate
Deportivo Cali, Col., 1, El Nacional, Ecu., 2
Aggregate 3-3. Deportivo Cali won 5-4 on penalties

SKIING

WORLD CUP

LAKE LOUISE, ALBERTA
WOMEN'S DOWNHILL

1. Renate Goetschl, Austria, 1min., 36.12 sec.
2. Isolde Kostner, Italy, 1:36.43
3. Alexandra Meissnitzer, Austria, 1:36.64

FRIDAY IN ASPEN, COLORADO
MEN'S super-G

1. Stephan Eberharter, Austria, 1:11.81
2. Hermann Maier, Austria, 1:12.33
3. Christian Mayer, Austria, 1:12.45
4. Rainer Salzgeber, Austria, 1:12.49
5. Hans Knauss, Austria, 1:12.85
6. Lasse Kjus, Norway, 1:12.89
7. Jean Luc Cretier, France, 1:12.99
8. Steve Locher, Switz., 1:13.06
9. Kjetil Andre Aamodt, Norway, 1:12.07
10. Sebastien Fournier, France, 1:13.14

THE WEEK AHEAD

SATURDAY, NOV. 28

BOBSLEDDING, Salt Lake City, Utah — World Cup, four-man race.

CRICKET, Perth — Australia vs. England, 2d test, to Dec. 2; Johannesburg — S. Africa vs. West Indies, 1st test, to Nov. 30; Peshawar — Pakistan vs. Zimbabwe, 1st test, to Dec. 31.

FIGURE SKATING, Zagreb, Croatia — World Junior Championships, to Nov. 29; Moscow — Grand Prix, Cup of Russia, to Nov. 29.

GOLF, Ibusuki, Japan — men, Casio World Open, to Nov. 29; Miyazaki — women, Meiji Nyagya Cup, to Nov. 29; La Quinta, California — men, Skins Game, to Nov. 29.

RUGBY UNION, World Cup qualifying: Scotland vs. Portugal. Test matches: England vs. Australia; Ireland vs. South Africa.

SKIING, Alpine World Cup, Aspen, Colorado — men, slalom; Lake Louise, Alberta, Canada — women, downhill. Nordic World Cup: Moenio, Finland — men, women, to Nov. 29; Nordic combined World Cup, Lillehammer, Norway — to Nov. 28.

SKI JUMPING, Lillehammer, Nor. — Nordic World Cup, 120-meter hill jumps, to Nov. 29.

SNOWBOARDING, World Cup, Sestriere, Italy — men, women, to Nov. 29.

SPEEDSKATING, Nobeyama, Japan — World Cup short-track, to Nov. 29.

VOLLEYBALL, Tokyo — men, World Championships, to Nov. 29.

SUNDAY, NOV. 29

HORSE RACING, Tokyo — Japan Cup.

SKIING, Lake Louise, Alberta, Canada — women, Alpine World Cup, super-G.

SQUASH, Bangalore, India — Mahindra World Open Squash Championship, to Dec. 5.

TUESDAY, DEC. 1

RUGBY UNION, Belfast — Ireland A vs. South Africa.

SOCCER, Tokyo — World club championship: Real Madrid vs Vasco da Gama, Br.

SQUASH, Bombay, India — Men's World Open, to Dec. 6.

WEDNESDAY, DEC. 2

RUGBY UNION, World Cup qualifying: Spain vs. Portugal.

SOCCER, Copa Mercosur, semifinals, return leg, San Lorenzo, Arg., vs. Cruzeiro, Br.

THURSDAY, DEC. 3

GOLF, Adelaide — men, Australian Open, to Dec. 6; Inuyi — men, Nippon Series, to Dec. 6; Palm Harbour, Florida — men, women, JC Penney Classic, to Dec. 6; Sun City, S. Africa — Sun City Million Dollar Challenge, to Dec. 6.

SKIING, Alpine World Cup, Mammoth Mountain, California — Women's super-G.

SOCCER, Copa Mercosur, final, 1st leg, Deportivo Cali, Col., vs. Atletico Nacional, Col.

FRIDAY, DEC. 4

FREESTYLE SKIING, World Cup: Tignes, France — men, women, to Dec. 6.

SKIING, Alpine World Cup, Mammoth Mountain, California — Women's slalom.

TENNIS, Milan — Davis Cup Final, Italy vs. Sweden.

SATURDAY, DEC. 5

SOCCER, Fort Lauderdale, FL — Inter-American Cup, final, 2d leg, Vasco Gama vs. D.C.

SKIING, Alpine World Cup, Whistler, Canada — Men's Downhill.

SNOWBOARDING, World Cup, Ischgl, Austria — men, women, to Dec. 6.

SKI JUMPING, World Cup, Chamonix, France, — to Dec. 6.

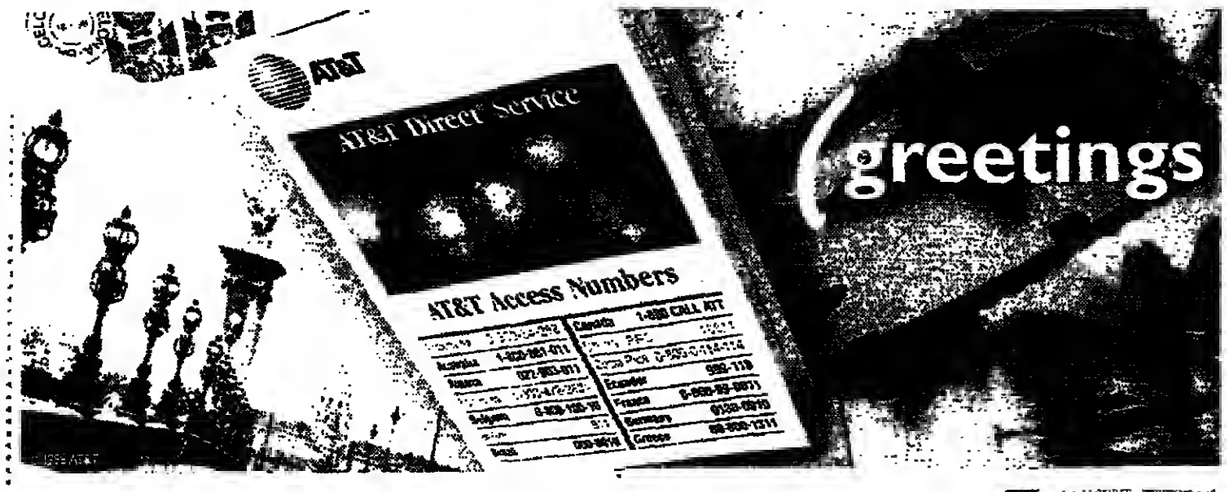
RUGBY UNION, World Cup qualifying: Scotland vs. Spain. Test: England vs. South Africa.

SUNDAY, DEC. 6

ATHLETICS, Japan — Fukuoka International Marathon.

GAMES, Bangkok, Thailand — 13th Asian Games, to Dec. 22.

SKIING, Alpine World Cup, Whistler, Canada — Men's Super-G.



(greetings from everywhere)

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Vikes' Hungry Offense Carves Up the Cowboys

With All the Trimmings, It's a 46-36 Feast

By Timothy W. Smith
New York Times Service

DALLAS — In the early 1990s, the Dallas Cowboys built a Super Bowl championship team around a cadre of offensive stars — a shifty running back, a sure-handed possession receiver, a poised quarterback — plus a massive and powerful offensive line and a punishing defense.

The offensive philosophy embraced all the conventional notions of pro football: ball control and a balanced attack, with substance over style.

But the Minnesota Vikings blew into Texas Stadium on Thursday with an offense that turns most of those notions on their head and beat the Cowboys, 46-36.

Ball control. Forget about it. Why not score on possessions of three minutes or less if you can score five or more touchdowns a game? Possession receivers. Yeah, right. If the possession is at the end of a 50-yard heave and culminates with a point-after attempt.

Welcome to the new millennium. And what better way to usher in the new era than having a wonderful receiver like Randy Moss, who caught three passes Thursday and all three were for touchdowns of more than 50 yards.

Cris Carter added a 54-yard touchdown reception and Leroy Hoard had a 50-yard touchdown run as the Vikings strutted their stuff.

The most anticipated matchup of the afternoon — between Dallas's brilliant cornerback, Deion Sanders, and Minnesota's sensational rookie receiver, Moss — never materialized because Sanders was starring in his own version of "My Left Foot." It's the story of a fleet-footed NFL cornerback with a badly sprained big toe on his left foot that prevents him from running.

Without Sanders, Moss put on his own show. After one quarter, he had caught two passes for 107 yards and two touchdowns, with a 54-yard touchdown reception by Carter sandwiched between them.

Moss' first touchdown reception came on a 51-yard pass from quarterback Randall Cunningham off a flea-flicker play. His second one was on a 56-yard pass from Cunningham. The touchdown also put the Vikings ahead by 21-6 with 2 minutes 41 seconds to play in the first quarter. The Vikings looked like a runaway train.

But then came a slight derailment. The Vikings lost one component of their high-powered offense in the second quarter when Robert Smith sprained his right knee and did not return. Without the threat of Smith in the backfield, the Vikings' offense lost some steam.

It was a temporary setback. The Cowboys were able to deploy some well-timed blitzes, putting extra pressure on Cunningham and slowing the Vikings in the second quarter.

The Vikings also hurt themselves on foolish penalties during big returns on special teams in the first half. They were penalized twice, for 166 yards, on two returns by David Palmer — one wiped out a 90-yard touchdown return.

The Cowboys displayed their own big-play capability with a 67-yard touchdown pass from Troy Aikman to receiver Patrick Jeffers, but the 2-point conversion failed. After a 45-yard field goal by Gary Anderson with 16 seconds to play in the half, Minnesota took a 24-12 lead into the locker room.

The Cowboys opened the second half with an 11-play, 76-yard drive that was capped by a 2-yard run by Emmitt Smith to help make it 24-19 Vikings.

But on Minnesota's first possession of the third quarter, the Vikings went back into quick-strike mode, throwing deep to Moss and getting a pass-interference call against Dallas safety Kenny Wheaton. The 55-yard play gave Minnesota the ball at the Cowboys' 12 and, on the next play, Hoard, who replaced Robert Smith, ran the ball in for a touchdown. The Vikings were ahead, 32-19, with less than a quarter and a half to play.

L.M. Otero/The Associated Press

Cowboys' cornerback Kevin Smith being upended by Vikings' wide receiver Matthew Hatchette in second-quarter Thanksgiving Day action.

Lions Win in OT After Coin-Flip Flap

The Associated Press

PONTIAC, Michigan — Maybe the referee made a mistake. Maybe the Pittsburgh Steelers did.

All that's known for sure is that a game of X's and O's came down to heads or tails.

In a Thanksgiving Day contest marked by a bizarre coin flip to start an overtime period, the Detroit Lions escaped with a 19-16 victory over the Steelers on a 42-yard field goal by Jason Hanson, 2:52 into the extra period Thursday.

On the midfield coin flip, Jerome Bettis of Pittsburgh said he called tails. But the referee, Phil Luckett, said after the game that Bettis called "heads-tails," and that he went with the first thing he heard.

"I did not say 'heads-tails,'" Bettis said. "That is a lie. That's a bald-faced lie."

A Detroit cornerback, Robert Bailey, who was not part of the coin toss, said he heard Bettis call "heads" while a teammate, Carnell Lake, called another.

"To me, it sounded like one guy called heads and one guy called tails," Bailey said. "That way, no matter what happens, you can argue. It's an old trick."

In any event, the Steelers kicked off and never saw the ball again.

"I'm oot saying we lost the game because of the officials," the Steelers' coach, Bill Cowher, said. "But it's a shame that this is the center of focus after a game like that."

Earlier, two controversial calls led to the first of Norm Johnson's two first-quarter field goals for Pittsburgh (7-5). But clearly, the biggest disputed call came at the start of overtime, giving the Lions (5-7) the right to receive.

"I've never seen anything as blatant as that," Lake said. "I even looked at the Lions and they were like, 'Wow.' They didn't say anything because they wanted the ball. The ref made a bad decision."

After a 21-yard runback by Terry Fair, the Lions went 41 yards in seven plays, keyed by a 28-yard pass from Charlie Batch to Herman Moore and a face-mask call against Chris Oldham. After Barry Sanders was stopped for no gain on second down, the Lions elected to go for the field goal on third down.

"This game was everything rolled into one: Thanksgiving and the Steelers and a great win," said Batch, who grew up in Homestead, Pennsylvania, about 10 minutes from Three Rivers Stadium.

Sanders gained just 33 yards on 20 carries but still became just the second back in NFL history to rush for more than 15,000 yards. He now has 15,003 and trails only Walter Payton, who holds the record with 16,726 yards.

Johnson, who had field goals of 30 and 38 yards in the second quarter, capped a 74-yard, 15-play drive with a 25-yarder to tie it, 16-16, with one second remaining in regulation.

It was a big loss for the Steelers, who started the day one game behind Jacksonville in the AFC Central.

Falcons Flying High

Rams Lack Power to Shoot Them Down

By Mike Freeman
New York Times Service

Falcons (9-2) at Rams (3-8) The Falcons are no longer worrying about winning the NFC West. They see the San Francisco 49ers in their rear-view mirror. The Falcons are looking at the bigger picture, and their eyes are turned toward Minnesota. There is a chance, albeit slight, that Atlanta could get the home-field advantage throughout the playoffs if the Vikings slip. *Falcons, 35-7.*

NFL MATCHUPS

Cardinals (6-5) at Chiefs (4-7) Arizona is ahead of where most thought the team would be this season because Jake Plummer is playing unbelievable football. He has a 96.2 passer rating in his previous four games. He will have a tough time this week because the Chiefs have the second-best pass defense in the league. But because Kansas City is reeling so badly now, the Cardinals win a close one on the road. *Prediction: Cardinals, 27-24.*

Panthers (2-9) at Jets (7-4) Coach Bill Parcells has probably spent the past few days yelling at the Jets from sunrise to sunset, trying to imprint on their brains that Carolina is dangerous. The only true danger on the Panthers is linebacker Kevin Greene, who is tied for the league lead in sacks with 14. He'll do some damage. *Jets, 28-17.*

Colts (2-9) at Ravens (4-7) The kind of year Peyton Manning is having is scary. He's a rookie quarterback, and unlike many rookie quarterbacks he has taken every snap. His streak of a touchdown pass in every game this year is the most by a rookie since Joe Namath in 1965. But Manning can't play safety or linebacker or defensive end. *Ravens, 21-14.*

Jaguars (8-3) at Bengals (2-9) Blowout city. The Jaguars are not happy campers after losing to Pittsburgh last week. Jacksooville will crank up its running attack, and Mark Brunnel will throw for over 300 yards. *Jaguars, 28-0.*

Buccaneers (4-7) at Bears (3-8) The last time Tampa Bay was at Chicago, the Bears won by six points off two Buccaneers fumbles. This season, Chicago has recovered 12 fumbles, the third-best performance in the NFC. Erik Kramer isn't starting — he's being replaced by the backup, Moses Moreno — but the Bears are going to run the ball. *Chicago, 15-9.*

Bills (7-4) at Patriots (6-5) How this game turns out depends on the index finger of Drew Bledsoe. The quarterback has two slight fractures but Bledsoe says he can play; he's listed as questionable. If he plays, the Patriots win. Doug Flutie is the X-factor, as he's coming home and could be pumped up. *Patriots, 17-16.*

Oilers (6-5) at Seahawks (5-6) The key for Seattle is stopping the running back Eddie George. The Seahawks have 41 sacks, hut pass rushing iso't the key, run stopping is. George already has 1,025 yards rushing and shonld add oo about 100 more. *Oilers, 19-14.*

Saints (5-6) at Dolphins (7-4) Jimmy Johnson's Miami team is coming off a crushing loss to New England in the Monday night game. And the Saints' quarterback, Kerry Collins, is beginning to look like the franchise quarterback he was supposed to be in Carolina. *Saints, 13-12.*

Eagles (2-9) at Packers (7-4) Blowout city, Part II. Some Minnesota coaches felt that the Packers' coach, Mike Holmgren, was overconfident before his game with the Vikings. The Packers lost by two touchdowns. Holmgren had better not be cocky this week, no matter how bad the Eagles are. And they're pretty bad. *Packers, 28-10.*

Redskins (2-9) at Raiders (7-4) The Raiders' quarterback, Donald Hollas, may not be a pretty thrower or the best player in the league. But he is 4-1 as a starter, his only loss coming to undefeated Denver. Not bad. Washington showed a lot of guts in coming back against Arizona. Bnt the team must be drained. That was a long game, and it has been a loog seasoo. *Raiders, 30-18.*

Broncos (11-0) at Chargers (5-6) Denver can clinch the AFC West with a victory or an Oakland loss. But they'll win the division, either this week or next. But that of course is not the story with this team — whether they can go undefeated is. They woo't, and this is the roadblock. The Broncos look unbeatable, especially early in the game, when they have outscored oppoeents in the first quarter by 104 points. But if the Chargers can weather the storm early, and they will, they'll be in the ball game. *Chargers, 24-23.*

Giants (4-7) at 49ers (8-3) The only chance the Giants have of winning this game is if they open up the offense. That's what a vastly outmanned New Orleans team did against the 49ers last week, and they made a game of it. Defensively is where the Giants are in trouble. *49ers, 30-21.*

DENNIS THE MENACE

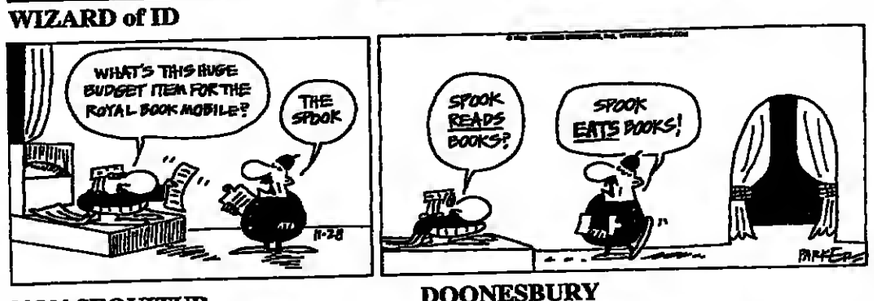
"ME AND GRAMPA FEEL LIKE A COUPLE OF SPRING CHICKENS! HOW 'BOUT YOU, MR. WILSON?"

PEANUTS

CALVIN AND HOBBES

GARFIELD

WIZARD of ID



JUMBLE

THIS SCRAMBLED WORD GAME by Henri Arnold and Mike Argirion

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

PRAAK

MAHRE

MESTIK

RANCLE

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Answer: A

(Answers Monday)

Yesterday's Jumbles: SANDY PROXY DEVOUR FORGER
Answer: What some do when they decide to take a cruise — GO OVERBOARD

BEETLE BAILEY

NON SEQUITUR

Wiley is on vacation and will return on November 30th.

DOONESBURY

BLONDIE

LE PETIT FUTÉ
PARIS U.S.
vient de paraître

LIVE - Tennis ATP Tour
World Championship - Hannover
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tune in tomorrow 21:00 (CET)
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DAVE BARRY

How to Avoid Eels

MIAMI — Today's culinary topic is: How to make sushi. I happen to be an expert on this topic because I recently put in a stint as a chef at an actual sushi restaurant. (One of the first things you learn, as a sushi chef, is how to put in a stint.)

Before I give you the details, I should explain, for the benefit of those of you who live in remote wilderness regions such as Iowa, what sushi is. Basically, it is a type of cuisine developed by the Japanese as part of an ancient tradition of seeing what is the scariest thing they can get you to eat raw.

The way they do this is, they start out by serving you a nice, nonthreatening piece of fish, from which all the identifying fish parts have been removed. This fish is safe to eat and tasty. But the trick is that it's served with a green condiment called "wasabi," which is the Japanese word for "nuclear horseradish." If you put more than two wasabi molecules on your sushi and eat it, your hair will burst into flames.

So after consuming some wasabi, you naturally order a cool, refreshing Japanese beer to pour on your head and perhaps, since you have the bottle in your hand anyway, wet your whistle with. The result is that your judgment becomes impaired, which is when they start trying to get you to eat prank food, such as sea-urchin eggs. Sea urchins are vicious, golf-ball shaped, poison-spined sea creatures whose sole ecological purpose is to ruin your tropical vacation by deliberately not getting out of your way when you are wading barefoot. If you eat the eggs of this animal, and fail to chew them thoroughly, you could develop an alarming medical condition that doctors call "baby sea urchins walking around inside your body poking holes in your spleen."

I recently put in a stint as a chef at an actual sushi restaurant.

Other prank foods that they will try to get you to eat at sushi bars include eels, clam parts, jellyfish, tentacles with flagrant suckers, and shrimps with their eyeballs still waving around on stalks. If you eat those, the waiter will become brazen and start bringing out chunks of coral and live electric eels. My point is that, in a sushi restaurant, you must watch what you eat. (This is exactly what "The Star-Spangled Banner" is referring to when it says "o'er the clam parts we watched.")

Despite this, I happen to be a big fan of nonprank sushi. And so when Bok An, the proprietor of Sakura, my local sushi restaurant in Coral Gables, Florida, invited me to be a guest sushi chef, I enthusiastically answered: "No!" I was afraid that I'd have to touch an eel. I am 51 years old, and I did not get this far by touching eels.

But Bok assured me that we would stick to basic fish species such as tuna, salmon and cucumber. And thus I found myself one Tuesday night, wearing a samurai-style headband and standing behind the sushi bar, blending in perfectly with the other sushi chefs, except that my headband was actually the belt of my bathrobe.

Bok stood next to me and prepared various sushi items, and I attempted to imitate him. Here's the recipe: You start with a little rectangle made of dried seaweed. Then you pick up a glob of special sticky rice and spread it evenly on the seaweed. At least Bok did. The majority of my rice remained firmly stuck to my hands and started migrating to other parts of my body. I may have to have it removed surgically.

The majority of my rice remained firmly stuck to my hands.

Next, you cut up your ingredients, using a lethal-looking, extremely sharp sushi knife that causes professional sushi chefs to become very nervous when it is being wielded by a professional humor columnist. Then you put these ingredients on the rice and execute the secret sushi-rolling technique, which is difficult to describe in English words, as we can see by this actual transcript of Bok explaining it to me: "O.K., you go like this, Boom! Then you go, Boom! Boom! Boom!"

The thing was, when Bok went boom, he produced this attractive, appetizing cylinder of sushi. Whereas when I went boom, I produced this mutant food unit leaking random seafood parts. I also had a problem with my sizing: Sushi rolls are supposed to be small, bite-size morsels; mine were more along the lines of seaweed-covered hams.

But I kept trying. Remember the movie "Karate Kid," where the mean bully beats up Ralph Macchio, but then Ralph studies karate under Mr. Miyagi, and then finally, in the big tournament, with everybody watching, Ralph stuns the bully by rolling a reasonably tight cucumber roll? Well, that's what I did. In fact, I may have a knack for it. So if one day you walk into a Japanese restaurant, and you see, standing behind the sushi bar, what appears to be a man-size blob of rice wearing a blue bathrobe belt on its head, feel free to say hi. But keep your distance if I'm holding a knife.

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Biography Refashions Duras's 'Heroic' Stature

By Alan Riding
New York Times Service

PARIS — As writers often do, Marguerite Duras used her life as raw material for her novels. More unusually, her literature then took over her life to the point that a fictional character called Marguerite Duras assumed control. The real Duras may have written her books, but increasingly she lived in an imaginary world of her own making. Unless, of course, she was merely playacting, which was possible.

Either way, she framed the basic question — Who was Marguerite Duras? — that confronted Laure Adler when she set out to write the first biography of Duras published in France since her death at 81 in March 1996. Not that Duras thought the question worth exploring. Her biography, she said, already existed in her fiction. Unless she had something to hide, which proved to be the case.

Certainly, on the sensitive topic of her response to Germany's occupation of France in World War II, Duras portrayed — and perhaps believed — herself to have been more heroic than the record suggests. She remembered her time in the Resistance and "forgot" her earlier work with the Germans. And it was far from the only occasion when her memory was selective.

"By the end of her life, she believed in the legend that she had invented of her life," said Adler, 48, a historian who now works as an editor at a French publishing house. "She hid all the clues to her life, but with sincerity. She simply did not want to remember certain things. In fact, she no longer knew who she really was. Everything she created in her books became truer than the life she had really lived."

During seven years of research and writing, then, it was Adler's task to separate not lies from truth, but fantasy from reality. For two years, she was able to listen to and interrogate Duras, who by then was resigned to the biography.

"At times, I thought I was going crazy," Adler recalled during an interview. "If I had known it would be that difficult, that she would follow me night and day, even in my dreams, I would not have embarked on the project. But once I had started, I could not stop. I had to reach my destination, which was to find out if Marguerite Duras truly existed as a woman or was the legend she had created."

What helped keep her going was a strong emotional bond established with her subject in the late 1970s. At the time, disconsolate over the loss of a child at birth, Adler stumbled across Duras's novel "The Sea Wall," which she said gave her "the will to live." She wrote to Duras to thank her and a friendship was born.

Until then, before Duras became a best-selling author with "The Lover" in 1982, Adler had read none of her books. "Duras was very loved by a very small number of loyal fans who were almost like a sect," Adler said. "I always had the impression that she was very distant, very complicated and very narcissistic."

But by the time she decided to write the biography, Adler felt she knew her subject well. Yet when she began her research by reading all of Duras's books in chronological order, starting with "Les Impudents," she encountered various styles and different worlds, "the many writers who were Marguerite Duras," as she put it.

She traveled to Vietnam, where Duras was born and where her teenage romance with an older man, recounted in "The Lover," took place. There Adler met people who had known not only the lover ("who was not as handsome as she described him," Adler noted), but also Duras, her mother and older brother. From this she assembled a melancholic picture of the young Duras.

"She lived an almost martyrlike childhood, her father dead, without the love of her mother, disdained, humiliated, frequently beaten by her mother and brother," Adler said. "None of this appears in her books, but I think it is one of the keys to understanding her work. She wrote in order to suffer less, to purge the pain and suffering she had known."

Alan Riding/The New York Times

Marguerite Duras in her Paris apartment in 1990.

Certainly, when she moved to Paris to study law and political science at 18, Duras felt liberated. She had a considerable sexual appetite, Adler notes in her French-language biography, "Marguerite Duras," and she moved comfortably in leftist intellectual circles. After graduation from the Sorbonne, she married the writer Robert Antelme and found work as a secretary in the Ministry of Colonies, staying there for a year after Germany occupied France in 1940.

In uncovering what she calls Duras's ambiguous response to the occupation, Adler also broke new ground. In her 1985 book, "La Douleur," later published in the United States as "The War," Duras portrays herself as part of a Resistance group headed by Francois Mitterrand, France's president from 1981 to 1995. But like Mitterrand, who worked for the collaborationist Vichy regime in 1941 and 1942, Duras joined the Resistance only in mid-1943. More significant, for one year beginning in July 1942, Adler recounts, Duras worked for the Book Organization Commission as secretary of the bureau that controlled paper supplies and, as such, determined which books were published or censored. Many authors were banned, but others depended on the whims and tastes of the book commission.

Adler leaves open the question of whether, by working under German orders, Duras was a collaborator, but she was disturbed by the novelist's unwillingness to discuss the issue. "Marguerite waved away with her hand a question that irritated her," she writes.

Another strange episode occurred in the summer of 1944 when Antelme was arrested for work in the Resistance and, in hopes of obtaining her husband's release, Duras befriended Charles Delval, a Frenchman working with the Gestapo. Before Antelme was deported to Germany (he survived the war), Duras and Delval were seen together so often that there was speculation that they were having an affair.

Yet after Paris was liberated in August 1944, Delval was seized and interrogated by Mitterrand's Resistance group. In "La Douleur," Duras describes how she tortured him, a fact that she later repeated in interviews, although no one apparently witnessed her doing so.

So, Adler was asked, does she like Duras less now that she knows her better?

"No, a lot more," she said without hesitation. "There were times when I cried with rage at her violence, her egoism, her spitefulness. I didn't like her ambiguity in the war. And I couldn't stand the way she proclaimed herself to be a genius. But she was also immensely courageous because she took the risk of looking deep inside herself. She knew she was self-destructive, but her writing saved her from madness. And that's what makes her a great writer. In a memorably pure style, she speaks to us all."

PEOPLE

Agence France-Presse

Linor Abargil taking her throne as Miss World.

THE Canadian singer **Celine Dion** has sued a French tabloid for violation of privacy for an article that suggested she was unable to have a child. Dion's lawyer told a court in Toulouse that Voici, a weekly tabloid, had violated his client's privacy and "undermined her husband's dignity." A lawyer for Voici told the court that the article, published in July, was based on a biography about Dion published in the United States, which the singer never contested in court.

□

Works from the studio of **Dora Maar**, who was the inspiration and mistress of Pablo Picasso from 1936 to 1943, fetched 2.74 million francs (about $480,000) at an auction in Paris. The sale brought to more than 212 million francs the amount realized from the sale of Maar's estate, with a third and final auction to be held on Dec. 7. The sum does not include the value of works donated by Maar's heirs in lieu of taxes to the Picasso museum in Paris. Items sold Thursday included a portrait of Picasso by Maar, painted in 1936, which fetched 377,000 francs, more than nine times its estimated price of 40,000 francs. Two other oils with valuations of 40,000 to 60,000 francs were knocked down for 150,000 and 144,100 francs. Maar held on to mementos of her stormy affair with Picasso for more than half a century. The rare collection of oils, pastels, photographs, jewelry and valuable bric-a-brac came to light on her death at the age of 89 in July last year.

□

The J. Paul Getty Museum in Los Angeles has named **Lee Hendrix** its new drawings curator. Hendrix, a scholar of Northern European prints and drawings, has been the associate curator of drawings at the Getty since 1989. She replaces **Nicholas J.L. Turner**, who left in September.

□

Miss Israel, a 19-year-old media student named **Linor Abargil**, was crowned Miss World in the Seychelles, defeating nine other finalists, from Brazil, Chile, the Czech Republic, France, Jamaica, Malaysia, Peru, South Africa and the United States. "I never felt so great in my whole life," she said. "Now I want to go and stay with my family and my boyfriend." In a bid to revive the 47-year-old contest's sagging image, the pageant this year discarded the traditional swimming costume parade; the 86 contestants were shown dancing in street wear and evening dresses.

□

Britain's 1970s glam-rock star **Gary Glitter** was committed for trial to face child-sex and pornography charges. The decision was made by magistrates in North Avon, in western England. No date for the trial has been set. The flamboyant singer was arrested last year as he returned from vacation in Cuba after police allegedly found pornographic pictures in his possession. He was charged with possessing indecent photographs of children, with assaulting girls under the age of 16 and four other sexual offenses.

(put on a happy face)

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